

1994 ANNUAL REPORT OF THE ATTORNEY GENERAL OF THE UNITED STATES



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Foreword

To the Senate and the House of Representatives of the United States of America in Congress Assembled:

This Annual Report highlights the accomplishments of the Department of Justice in 1994. It reflects the hard work and dedication of the men and women who work for the Department and their collective commitment to the principles of justice and fair treatment for all Americans.

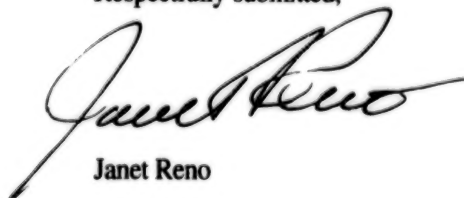
In 1994, we made significant progress in strengthening and improving Federal law enforcement. As a result of the reforms we instituted, today our Federal law enforcement agencies are working with each other and with their State and local counterparts more closely than ever before, and more law enforcement officers are out from behind desks in Washington and back on the streets where they belong.

We also began to take back control over our Nation's borders. We started a new, aggressive strategy of deterrence and increased the number of Border Patrol Agents.

Perhaps most important, we worked with the Congress to secure passage of landmark anti-crime legislation—the Violent Crime Control and Law Enforcement Act of 1994. This new law provides powerful new tools to help in the fight against crime and provides funding to help local communities put more police officers on the beat.

In 1995 we will continue to build on this solid record of accomplishment. Our commitment remains nothing less than to provide the highest possible level of service to the American people so that all of us may enjoy the benefits of a free and just society.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Janet Reno", written in a cursive style.

Janet Reno

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Introduction

The Department of Justice

As the Nation's chief law enforcement officer, the Attorney General enforces Federal laws and ensures the fair and efficient administration of the Federal justice system. In carrying out this mission the Attorney General directs the activities of the more than 96,000 attorneys, law enforcement professionals, and other employees of the United States Department of Justice. This Annual Report summarizes the major accomplishments of the Department during 1994.¹

The responsibilities of the Department of Justice are wide-ranging. They include: detecting, apprehending, prosecuting, and incarcerating criminal offenders; upholding the civil rights of all Americans; enforcing laws to protect the environment; ensuring healthy competition of business in our free enterprise system; safeguarding the consumer from fraudulent activity; carrying out the immigration laws of the United States; and representing the American people in all legal matters involving the United States Government. As shown on the organization chart on page 3, these responsibilities are discharged by the components of the Department. Among these components are the major law enforcement agencies (the Federal Bureau of Investigation, the Drug Enforcement Administration, the United States Marshals Service, the Immigration and Naturalization Service, and the Bureau of the Prisons), and the litigating components (the legal divisions and the United States Attorneys).

Although the Department is headquartered in Washington, D.C., most of its work takes place outside of Washington. As a result, most of its employees are located in one of roughly 2,000 installations of the Department around the country (ranging from a one or two person border station to a large Division Office in a major city) or in one of its nearly 100 overseas offices.

Overall, the Department of Justice had a budget of \$6.7 billion in 1989. It rose to \$11.2 billion in 1993, a 68-percent increase; however, in 1994, it was reduced to \$10.9 billion. The Department, along with all other Federal Government

agencies, was required to reduce personnel and administrative expenses to meet targeted personnel levels and assist in controlling the Federal deficit as mandated by the Administration. There were also decreases in the Civil Liberties Public Education Fund and the Radiation Exposure Compensation Trust Fund.

However, the Department did receive increases for selected purposes, such as: additional jail days, inspections, investigations, detention and deportation, and legal proceedings related to illegal immigration; and continued expansion and operation of the Federal Prison System. The Department was also authorized to use prior year unobligated balances to meet some current requirements.

Highlights of 1994 Accomplishments

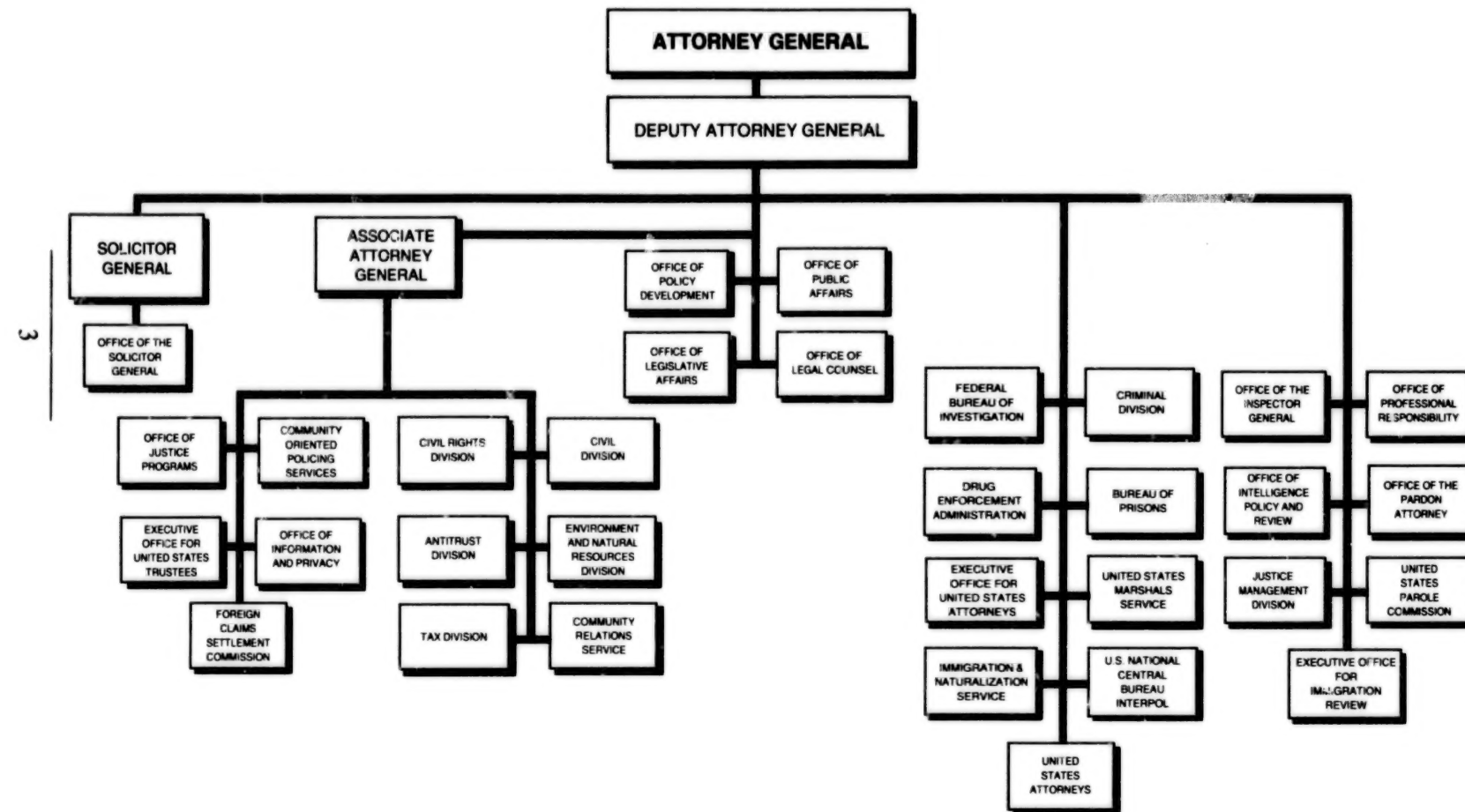
- Attacked major drug trafficking organizations both here and abroad and seized and forfeited their ill-gotten profits. Improved the coordination of these and other efforts by establishing the Office of Investigative Agency Policies.
- Supported the passage of the Violent Crime Control and Law Enforcement Act of 1994, which strengthens the Department's ability to address violence and provides funding to put 100,000 new police officers on the street.
- Provided financial and technical assistance to encourage localities to implement community policing strategies in which law enforcement officers and community residents work together to combat violent and drug-related crime.
- Continued efforts to protect America's children as a top priority for the Department by focusing resources on helping children most at risk of becoming involved in gangs, drugs, and crime and fostering efforts to help children grow up healthy, in a safe, drug-free environment.
- Fully implemented a comprehensive drug treatment strategy for offenders in the custody of the Bureau of Prisons, ensuring all inmates eligible for drug abuse program services receive those services.

¹ This report covers Fiscal Year (FY) 1994, which began on October 1, 1993 and ended on September 30, 1994. All references to years indicate Fiscal Year unless otherwise noted.

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- Continued to target violent and repeat offenders by supporting joint Federal, State and local task forces and providing specialized assistance in priority cases.
 - Vigorously investigated and prosecuted crimes involving health care and financial institution fraud.
 - Continued strong enforcement of the antitrust laws with a particular focus on identifying international cartels that were raising prices for American consumers and on restraints of trade that were impeding the access of American companies to foreign markets.
 - Activated over 3,000 new prison beds, 1,280 of which are at high security penitentiaries. Opened a privately owned and operated 1,000-bed contract facility in Eloy, Arizona, a cooperative effort involving the Bureau of Prisons, the Immigration and Naturalization Service and the U.S. Marshals Service.
 - Investigated and prosecuted white collar crimes that erode confidence in our institutions and impose heavy costs to both taxpayers and victims alike.
 - Provided support for activities consistent with the Brady Handgun Violence Prevention Act of 1994 to help keep handguns out of the hands of criminals and improve the ability of law enforcement agencies to share information on criminal histories.
 - Reaffirmed the Department's commitment to vigorously enforce Federal civil rights laws, as evidenced by the settlement of the Denny's case.
 - Obtained a record-breaking \$1.09 billion in civil settlements and judgments from corporations and individuals who committed fraud on government programs such as Defense contracts and Medicaid.
 - Implemented new and additional preventive measures along the Southwest border, prosecuted individuals involved in alien smuggling, improved the political asylum process through a series of reforms, increased the deportation of criminal aliens, and continued to propose and implement immigration reform legislation.
 - Placed renewed emphasis on enforcement of laws to protect the environment and preserve economic competition.
 - Enhanced the accessibility of government information for the American people by adopting a new policy that makes it easier for citizens to obtain documents under the Freedom of Information Act.
 - Improved the management of the Department through the continuing efforts of the "Justice Performance Review," which parallels efforts of the Vice President's "National Performance Review," and by involving all Department employees in helping the Department work better and more efficiently.
 - Developed the Partnerships Against Violence Network (PAVNET), an online service through the Internet that draws on the resources of more than 30 Federal clearinghouses and information centers to provide information about programs and practices that States and localities can use to combat violence.
 - Made a commitment to serve the public more effectively and in a more timely manner through the development and publication of customer service standards and guidelines for selected programs and services.

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U.S. DEPARTMENT OF JUSTICE



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Chapter I

Making America Safe

Goal: Guarantee the incarceration of violent and repeat offenders and concentrate law enforcement resources where they can be most effective.

A fundamental responsibility of government is to protect its citizens from violent and other criminal behavior. This is at the forefront of the Department's mission and it fulfills this obligation through its prosecutorial and enforcement entities. The Department continued in 1994 to rigorously investigate crime and enforce the law, as well as provide consistent assistance to State and local government anti-crime efforts.

The newly-enacted "Violent Crime Control and Law Enforcement Act of 1994" contains a number of provisions that strengthen the Department's ability to address violence. This landmark legislation provides a balanced array of enforcement and prevention programs and tough new sanctions in the Federal criminal law, including "three strikes, you're out." Because of this law, prosecutors will be armed with the tools they need to combat firearms violations and other violent crime activities; resources will be available to put thousands of new police officers on the beat in America's communities; there will be increased prison capacity and incentives for alternative forms of incarceration; and adequate funding for an array of immigration control activities will be made available. Once fully implemented, this broad range of efforts will help give Americans what they want most — to be secure in their own homes and in their streets.

Combatting Violence

Addressing violent crime is a major priority for the Department. In 1994, the Department's investigative agencies and prosecutors achieved notable success in apprehending and convicting the most serious offenders. Over one-fifth of all criminal cases brought by U.S. Attorneys involved violent and repeat offenders. The vast majority of those charged (86 percent) were found guilty, and sentenced to lengthy prison terms, including 72 persons who received life sentences.

On March 1, 1994 Vice President Gore and Attorney General Reno announced an unprecedented partnership among Federal, State, and local law enforcement agencies to address violent crime — the Administration's "Anti-Violent Crime Initiative." The goal of the initiative is to fight violent crime with all available resources, complementing traditional State and local efforts with Federal tools that include investigative grand juries, mandatory minimum sentences, witness protection, and the use of racketeering enterprise statutes.

As part of its fight against violence, the Department successfully coordinates and participates in various joint and multi-agency task force programs. For example, numerous Drug Enforcement Administration (DEA) groups are dedicated to combatting violent crime including: the Atlanta/Crack Violent Crime Task Force; Metro Gang Task Force (Denver); Homicide Investigative Team (Miami); and the New York Drug Enforcement Task Force. Through these and other groups, DEA continues to expand its Violent Trafficker Program (VTP) and directs numerous task force efforts at the most violent gang trafficking groups.

The U.S. Marshals Service (USMS) targets violent offenders through the execution of fugitive felon warrants. During 1994 the USMS signed a formal agreement designed to eliminate investigative duplication in fugitive matters. In response to the Attorney General's emphasis on decreasing violent crime and the use of drugs, the Department initiated or participated in several multi-agency task forces throughout the country. One effort is the Washington, D.C. Joint Fugitive Task Force formed in November 1993, which comprises nine Federal and local law enforcement agencies. The USMS and the Federal Bureau of Investigation (FBI) are co-supervising this effort which in the first 10 months resulted in the arrest of 1,720 violent offenders.

As of October 1994, the FBI had established 118 Safe Streets Task Forces involving over 340 State and local law enforcement organizations, and including 851 State and local officers, 676 FBI agents, and 128 other Federal law enforcement personnel. This effort has resulted in more than 57,000 arrests and 21,088 convictions.

Controlling Street Gangs

Violent crime is all too often the result of the proliferation and influence of gangs engaged in illegal activity. Significant initiatives undertaken by Department law enforcement officers and prosecutors to control and bring down major gang organizations are described below:

- Operation REDRUM (murder spelled backwards) was created in 1990 to identify, disrupt and immobilize drug trafficking suspects, organizations or gangs in various cities around the country. In the Washington, D.C. area, the unit consists of DEA Agents and senior Washington Metropolitan Police Department Homicide Detectives; and a series of initiatives in 1994 at public housing complexes has resulted in a dramatic decrease in the number of homicides and assaults.
- Also, in Washington, D.C., after three years of intense investigation, DEA, along with local homicide detectives, brought five leaders of one of the city's most notorious crack cocaine organizations — the First Street Crew — to justice. After four months of testimony, the jury found four members of the First Street Crew, including Antone White (leader of the gang), guilty on narcotics and racketeering charges. That the number of killings in the area in which the gang operated has diminished since the convictions is stark evidence of the success of the investigation and trial.
- In June 1994, 20 members of the Latin Kings, a major violent drug trafficking gang, were arrested by a cooperative Federal-State task force on charges of distributing cocaine and heroin in the Bridgeport and New Haven areas of Connecticut. The Federal task force, which became known as the Bridgeport Gang Task Force, coordinated all Statewide and local operations and became a model for cooperation among Federal agencies working with State and local law enforcement.
- DEA joined forces with the Massachusetts State Police, the Boston Police Department, and the Boston Housing Police Department, to immobilize the major criminal organization operating in Charlestown, Massachusetts.

After three years of extensive investigation and intelligence gathering by the task force, nine defendants were charged with a series of violent and drug related crimes.

In related Federal investigative work during 1994, INS agents apprehended nearly 80,000 criminal aliens. This number includes 1,890 gang members identified by Violent Gang Task Forces (VGTF) and 2,073 identified by Organized Crime Drug Enforcement Task Force (OCDETF) investigations.

In addition, the Bureau of Justice Assistance (BJA) developed a Comprehensive Gang Initiative to prevent and control violence by emerging or chronic street gangs, particularly gangs involved in drug trafficking. This comprehensive approach incorporates prevention, intervention, and suppression strategies. The project is being demonstrated in four sites — Boston, Metro Denver, San Diego, and Seven Hills, Ohio.

Fighting Drugs

Much of the incidence of violent crime is the direct result of trafficking in illegal drugs. In 1994, the Department continued to attack the Nation's drug problem by stepped-up enforcement targeted on drug "kingpins." To curb the influence of illegal drugs in our society requires both unrelenting law enforcement and serious demand reduction efforts. The Department continued this dual approach in 1994.

To successfully infiltrate and eventually bring down major drug trafficking organizations requires cooperation at the local, national and international levels. During 1994, the Department achieved some significant successes against drug traffickers through its enforcement programs both domestically and globally:

- The downfall of Pablo Escobar on December 2, 1993, notorious leader of the Medellin Cartel, ranks as one of the most important events in law enforcement history. The Colombian National Police (CNP) Medellin Task Force, with DEA cooperation, ended a reign of terror by one of the most brutal cocaine traffickers in the world and seized over 4.75 tons of dynamite, 333 weapons, 73 vehicles, and more than \$8 million in Escobar-related cash and properties.

- Under Operation Fox Hunt, while investigating the domestic operations of the Helmer Herrera-Buitrago organization, DEA developed a "cluster" of investigations nationwide from cooperating-individual information, intelligence leads, and wire intercepts. The organizations being targeted were part of a national and international, multi-faceted cocaine transportation/distribution organization. This investigation touched on several concurrent investigative efforts in numerous U.S. cities and resulted in a 31-case cluster investigation which produced the arrest of 198 defendants, the seizure of more than 6.5 tons of cocaine and in excess of \$13.5 million of assets.
- Operation Oceano represented the first time DEA had worked with the Nicaraguan National Police (NNP) on a joint interdiction operation in Nicaraguan territory. The seizure of 990 pounds of cocaine from an airdrop off the Pacific coast of Nicaragua provided the evidence DEA needed to confirm that Colombian cartels had been using this smuggling route.
- In June 1994, DEA Field Divisions arrested cell members of the SEJO organizations in Miami, Houston, and Los Angeles. The results in these investigations include: 57 arrests, seizure of more than \$16 million, 1.61 tons of cocaine and over 2 kilograms of Colombian heroin. The investigation also identified and resulted in the dismantling of a Mexican transportation organization based in El Paso.
- The Horsecollar initiative in the Harlem area of New York City has resulted in 222 arrests, 167 convictions, over \$8 million in assets seized, dismantlement of 15 heroin distribution organizations, and the identification of 30 additional heroin trafficking organizations. In addition, this initiative was credited with the resolution of 40 New York area homicides, the most significant being the assassinations of a New York City Police Department officer and a New York State parole officer.
- An OCDETF Task Force consisting of members of the Oakland Police Department, DEA, FBI, INS, and the USMS executed more than 50 Federal search warrants

and 35 arrest warrants against the Lacy and Flowers drug organizations which were responsible for much of the cocaine distribution in the Oakland area. This takedown included 24 Federal and four State arrests.

Organized Crime

In 1994, the Department broadened its efforts to fight organized crime. Activities focused on the many criminal enterprises of the La Cosa Nostra (LCN) families, as well as on other crime syndicates. Some significant successes are described below:

- An investigation conducted by the FBI in New York resulted in convictions of five Gambino LCN leaders and four soldiers, largely as the result of testimony furnished by a former Gambino Underboss.
- An FBI investigation in Boston resulted in a 31-count racketeering indictment against the New England LCN Family consigliere, 2 capos, and 1 soldier for loansharking, obstruction of justice, extortion, operating an illegal gambling business and conspiracy.
- A 48-count indictment against 19 members and associates of the Wo Hop To, a Hong Kong-based Triad, and the Hop Sing Tong, a criminally-influenced Tong, was returned in San Francisco. The indictment marked the first time that the Racketeer Influenced and Corrupt Organization (RICO) statute had been used on the West Coast against Asian Organized Crime figures.
- In New York, 29 Italian Organized Crime (IOC) associates were arrested in the "Project Onig" case. These arrests resulted from a multi-national investigation that identified a drug trafficking conspiracy involving the three major IOC families, collaborating with Colombian cocaine cartels to distribute heroin and cocaine in the United States and Europe.

The Organized Crime Strike Force Units of U.S. Attorneys' offices continued to investigate and prosecute organized crime cases. In addition, since their inception in 1986, the Organized Crime Narcotics (OCN) Trafficking

Enforcement projects, funded by Department grants, have made more than 15,530 arrests and seized drugs, cash, and property worth an estimated \$1.1 billion. This includes 943 arrests and \$34.6 million in seized drugs, cash, and property for 1994.

The Tax Division, the FBI, the Internal Revenue Service (IRS), and various State law enforcement agencies continued their joint investigations and prosecutions of the approximately one billion dollar annual evasion of Federal motor fuel excise taxes by organized crime groups. The Department prosecuted several major cases including seven individuals who evaded over \$85 million in Federal taxes on almost one billion gallons of gasoline. As a result of successful law enforcement efforts, the IRS reports that motor fuels excise tax receipts have begun to increase.

Six Regional Information Sharing System (RISS) projects funded by the Office of Justice Programs (OJP) continued to share intelligence and coordinate efforts against criminal networks that operate across jurisdictional lines. RISS projects target drug traffickers, white-collar criminal conspiracies, and organized crime. In 1994, RISS projects served 4,279 member law enforcement agencies and resulted in 8,558 arrests, and seizures of narcotics worth \$70 million and assets valued at \$14.8 million.

Political Corruption

During 1994, the Department aggressively pursued cases involving public corruption at all levels of government. These cases resulted in 512 informations and/or indictments; 513 convictions or pre-trial diversions; more than \$24.7 million in fines, recoveries, and restitutions; and seizure of more than \$22 million in assets. FBI undercover operations in public corruption matters continued to produce significant results, especially in the area of law enforcement corruption, including the indictments of 12 police officers from the Metropolitan Police Department in Washington, D.C., nine of whom have pled guilty.

The U.S. Attorneys maintained their same high success rate for securing convictions in these difficult and often complex corruption cases. Some of those convicted included a

former Atlanta Airport Commissioner and City Councilman for mail fraud, bribery and tax evasion; and a former California State Senator for mail fraud, money laundering and obstruction of justice.

Other significant cases included:

- Catalina Vasquez Villalpando, the former Treasurer of the United States, pled guilty to attempted evasion of her individual income taxes for 1989 and 1990. While Treasurer, she failed to report \$370,000 in bonuses, severance pay and expenses paid by her former employer.
- John P. McGonigle, Sheriff of Middlesex County, Massachusetts, was convicted of multiple tax charges for conspiring to disguise bribes and extortion payments from his deputies to himself and to illegally shift the tax liability for the same payments.

White Collar Crime

"We will catch you and we will make you pay." Although this is the Department's message to those who would defraud the Federal government, it could easily apply to all our efforts to combat White Collar Crime (WCC). Approximately 2,400 FBI agents are dedicated to investigations of various types of WCC. In 1994, WCC investigations resulted in 6,286 informations and indictments; 4,995 convictions; almost \$3.5 billion in restitutions, recoveries, and fines; and \$10.5 billion in potential economic loss prevented. In all, the U.S. Attorneys filed criminal charges against 9,228 individuals relating to such white collar crime as financial institution, Federal program, economic and tax fraud.

In 1994, the Civil Division, working in conjunction with the U.S. Attorneys, won judgments and settlements of over \$1 billion in civil fraud cases. Division attorneys secured record settlements in cases filed under the whistleblower provisions of the False Claims Act.

Operation Disconnect, a national initiative, is considered the most significant investigative effort directed toward illegal telemarketing ever undertaken by Federal law enforcement. More than 300 individuals have been charged, over 220 have been convicted, and over \$6.5 million in property was seized for potential forfeiture.

The dramatic rise over the past decade in the number of bankruptcy filings has been accompanied by an increase in the number of fraudulent schemes that utilize the Federal bankruptcy process. Moreover, the rise in bankruptcy cases has highlighted the need for aggressive supervision of case trustees who administer tens of billions of dollars in estate funds. The U.S. Trustee Program has supervisory responsibility over bankruptcy cases and trustees, and it works towards assuring that all violations of applicable criminal law are detected, investigated and referred to appropriate law enforcement and regulatory agencies. Two cases illustrating the program's efforts are described below:

- United States v. Thomas M. Germain. Germain was a former Chapter 7 trustee who administered bankruptcy cases in Connecticut. After discovering that Germain had been improperly removing estate funds from a bankruptcy estate, an order was issued removing him as trustee from all of his cases. Germain plead guilty to one count of embezzlement and was sentenced to serve 27 months in a Federal prison, followed by two years of supervised probation and is required to make restitution in the amount of \$823,000.
- United States v. John Maiona. Maiona was a former Chapter 7 trustee who administered bankruptcy cases in Massachusetts. A reconstruction of the financial records for all of his cases showed that approximately \$1.7 million in estate funds had been either withdrawn without authorization or diverted before entering the estate accounts. A criminal referral to the local U.S. Attorney's office resulted in an indictment on 26 counts of embezzlement and bankruptcy fraud.

The Tax Division continued its aggressive investigation and prosecution of computer-related fraud against the IRS's electronic filing system. Since 1991, the Division and U.S. Attorneys have conducted approximately 250 investigations and prosecuted over 800 individuals. Due to the large-scale potential of this fraud and the importance of maintaining the public's confidence in the tax system, the Department has devoted significant resources to this evolving computer-related crime.

In defense procurement fraud litigation, a record \$576 million in judgments and settlements was recovered in 1994. In the largest defense contractor *qui tam* case in history, United Technologies Corporation paid \$150 million to settle charges that it overstated progress payments submitted by its Sikorsky Aircraft Division. In other litigation, Teledyne agreed to pay more than \$112 million to settle two *qui tam* cases which claimed the company committed fraud in its testing of military components; Litton Systems, Inc. paid \$82 million to settle a *qui tam* lawsuit alleging it had overcharged the government for computer services; and Boeing paid \$75 million to resolve allegations that it mischarged the government for costs associated with independent research and development, foreign direct selling and hazardous waste disposal.

Health Care Fraud

While most health care providers are honest and care first and foremost about their patients' welfare, fraud is perpetrated by every kind of provider: individual physicians as well as multi-state publicly traded companies; medical equipment dealers, ambulance companies, and laboratories as well as the hospitals, nursing homes, and home health care agencies they service; and by those who provide no health care and prey upon the system with fraudulent scams.

In recognition of the scope and severity of this crisis, the Attorney General named health care fraud the Department of Justice's number two new initiative, behind violent crime. The Department's new health care fraud initiative consists of several steps to strengthen these efforts at the national and local levels. First, the Department has improved dramatically its coordination of health care fraud efforts by the various Federal investigative and prosecutorial agencies with the Attorney General's appointment of a Special Counsel for Health Care Fraud. Second, the Department has increased the investigative and prosecutive resources available for health care fraud enforcement. Third, the Department has strengthened health care fraud enforcement within each of the 94 United States Attorneys Offices across the country.

The results of these efforts can already be seen. The Department is investigating and prosecuting significantly more criminal and civil health care fraud cases. The Department investigated 1,066 criminal health care fraud matters during 1994, a 211-percent increase since 1992. Civil health care fraud matters also grew to 819, an increase of 203 percent since 1992. The number of defendants charged increased 108 percent, and the number of convictions grew 56 percent over the previous year. Civil recoveries also increased. In 1993, the Department recovered nearly \$200 million. By contrast, in 1994, this number exceeded \$500 million.

Three health care fraud enforcement accomplishments for 1994 are especially noteworthy:

- The Department's largest success to date concerned National Medical Enterprises, Inc. ("NME"). On July 12, 1994, NME entered a global settlement consisting of a record \$379 million in criminal fines, civil damages and penalties for kickbacks and fraud at NME psychiatric and substance abuse hospitals in 30 States. Under the settlement, NME agreed to pay more than two dozen States a total of \$16.3 million for harm-caused State health programs and to a corporate integrity program. The government had alleged that NME's psychiatric and substance abuse facilities engaged in widespread billing fraud, including admitting and treating patients unnecessarily, keeping patients longer than necessary to use up the available insurance coverage, billing government insurance programs for services not rendered, and billing Medicare for nonreimbursable expenses, including payments to physicians for referrals.
- Another major prosecutive success involved a Los Angeles chain of mobile diagnostic testing services and clinics, Rolling Laboratories, which perpetrated a billion dollar medical insurance scheme, defrauding 1,400 insurance plans. After promising free and low-cost examinations and preventative diagnostic tests, patients were required to sign forms assigning the right to receive insurance benefits to the clinics. Bills were then fabricated to make it appear these services were performed by a doctor and were "medically necessary." The 175 count indict-

ment named 13 defendants. Ten pleaded guilty to one or more felony counts of mail and wire fraud, conspiracy, money laundering, and racketeering; the defendants stipulated to full restitution and asset forfeiture. The jury convicted another defendant on all counts, including conspiracy to launder more than \$50 million, and ordered him to forfeit that amount as well as other property. In September 1994, the chief perpetrators of the one billion dollar health care fraud scheme were sentenced to more than twenty years each, ordered to forfeit \$50 million in assets and pay more than \$41 million in restitution and fines.

- On April 5, 1994, C.R. Bard, Inc. was sentenced to the then largest criminal fine in a health care prosecution. Bard pleaded guilty in Boston to charges including conspiracy, mail fraud, false statements, and 363 violations of FDA laws based on its submission of false and fraudulent statements for several different angioplasty catheter product lines. Bard was ordered to pay \$30.5 million in fines and criminal forfeitures, an additional \$30.5 million to resolve the government's civil claims, and to adopt remedial corporate integrity measures. The corporate officials await trial.

Financial Institution Fraud

Combatting financial institution fraud continues to be a top priority within the Department. The Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) empowers the Department with resources and statutory authority to fight financial institution fraud with criminal prosecution, civil money penalties, forfeiture of property traceable to a fraud and the ability to seek restitution for victims of the fraud. FIRREA also provides for the Presidential appointment of a Special Counsel for Financial Institution Fraud to coordinate law enforcement efforts in this area.

In the past year, the Department aggressively pursued the prosecution of individuals responsible for victimizing Federally insured financial institutions. During 1994, the Department through the efforts of the United States Attorneys' Offices and the Criminal Division, charged 728 defendants in

cases involving financial institution officers or directors or where there were losses of over \$100,000. A total of 757 defendants were convicted in major financial institution fraud cases during 1994, representing a 97.8 percent conviction rate for the year.

One of the Department's most significant achievements in the area of financial institution fraud during 1994 involved a BCCI related settlement in Geneva, Switzerland. The Special Counsel for Financial Institution Fraud, Gerald M. Stern, took a lead role in the negotiation of a global settlement between the Ruling Family of Abu Dhabi and other Abu Dhabi parties on the one hand and the Department of Justice and other agencies and institutions of the United States on the other. The settlement resolved claims of over \$400 million in favor of the United States and provided for the extradition of Swaleh Naqvi, BCCI's "number two man," to face criminal charges. Naqvi, who is now a cooperating witness for the Federal Government, pled guilty to all criminal charges contained in the Federal indictment in Washington, D.C., received an 11 year sentence (less credit for time served in Abu Dhabi) and was ordered to pay restitution of \$255 million. In other BCCI related efforts, \$552 million had been forfeited to the Government by the end of 1994 through the efforts of the Department's Asset Forfeiture Office allowing the Federal District Court to make the first disbursement of funds (approximately \$33 million) in accordance with the BCCI plea agreement.

Another significant victory for the Department during 1994 was the conviction of David Paul, one of the most prominent names in the savings and loan debacle. After a six-week trial, prosecutors from the United States Attorney's office for the Southern District of Florida convicted Paul, Chief Executive of CenTrust Bank, of 66 counts of fraud. In all, Paul faced 69 felony counts, most alleging that he siphoned \$3.2 million from CenTrust and spent it on a 95-foot yacht and homes in Miami and elsewhere. Paul was also charged with filing false income tax returns and obstructing an administrative proceeding of the Office of Thrift Supervision. Paul later pled guilty to 29 additional counts of financial fraud, bringing his total guilty counts to 95. Since his conviction in 1994, Paul has been sentenced to 11 years incarceration, a fine

of \$5 million and restitution in the amount of \$65 million.

In the civil area, the Department won a major Supreme Court victory in 1994 that will enable bank regulatory agencies to act swiftly when financial institutions fail and without subjecting the Government to the threat of large monetary judgments. In *Federal Deposit Insurance Corp.(FDIC) v. Meyer*, the Supreme Court held that while Government agencies accused of violating the constitutional rights of an individual can be ordered to take corrective action, they cannot be sued for monetary damages except where Congress has so provided by statute. In representing the FDIC, Civil Division attorneys obtained judgments and settlements totaling over \$39 million, while successfully defending FDIC receiverships against \$6.2 million in claims asserted against them.

National Security

Major Espionage Cases

On February 21, 1994, Aldrich and Maria Ames were arrested and charged with conspiracy to commit espionage. Aldrich Ames had been a Central Intelligence Agency (CIA) employee for over 31 years and served as the Chief of the CIA's Soviet Counterintelligence Branch in 1985-86. His wife Maria was a part-time Georgetown University student and was previously a paid source for the CIA in Mexico City. The FBI recovered important computer evidence from Aldrich Ames which led to his conviction on the espionage charges. Also among the enforcement tools that were instrumental in securing the guilty pleas and cooperation of Mr. and Mrs. Ames were tax charges based on complex analysis and sophisticated methods of proof. The Department obtained a guilty plea from Ames, who admitted to conspiring for nine years with Soviet and Russian intelligence services. On April 28, 1994, Aldrich Ames was sentenced to life in prison without parole for conspiracy to commit espionage. Mrs. Ames admitted to assisting her husband and was sentenced to 63 months of imprisonment.

The Department also obtained guilty pleas from two former U.S. Army enlisted men, Jeffrey Rondeau and Jeffrey Gregory, to espionage charges for assisting convicted spies Clyde Conrad and Roderick Ramsay in copying and removing

from U.S. military headquarters in Germany highly classified documents on behalf of Hungary and Czechoslovakia. Each was sentenced to 18 years of imprisonment.

Anti-Terrorism

In the wake of the bombing of the World Trade Center, the Department moved quickly to apprehend and bring the perpetrators to justice. On March 4, 1994, four individuals were convicted for their involvement in the bombing of the World Trade Center. On April 25, 1994, each of the four defendants received a 240-year prison sentence and a \$500,000 fine, and the investigation continues. Other individuals charged are awaiting trial.

International Cooperation

In the Summer of 1994, the FBI led a multi-agency mission to Eastern and Central Europe in order to create new joint programs to fight a range of crime problems. These problems include the theft of, and illicit trafficking in, nuclear materials and the spread of Russian and Eurasian organized crime. The FBI explored opportunities for opening a training academy in Central Europe that might give in-depth training to police officers from many countries and expand cooperation against global crime problems.

The INTERPOL-U.S. National Central Bureau (USNCB) continued its liaison work with police agencies around the world. During 1994, approximately 70 percent of the more than 11,000 cases handled by the USNCB involved State and local authorities, working in conjunction with their Federal counterparts. A recent example of this cooperation occurred when the New York City Police Department requested USNCB assistance in locating an individual wanted for the rape of two 13-year olds. The subject had been arrested, but later was released on \$100,000 bail and promptly fled the United States with his five-year-old son. He was believed to have gone to Hong Kong or to the Philippines. Messages were sent to both foreign countries via the INTERPOL network. The subject was subsequently arrested by Philippine authorities and expelled. He was taken into custody by authorities upon his arrival in the U.S.

Key Crime-Fighting Resources

Asset Forfeiture

Federal law authorizes government seizure of property used in or derived from a range of criminal enterprises, notably drug trafficking and organized crime, and it has been a useful tool in attacking drug trafficking and drug-related money laundering. Since 1985, total forfeiture deposits to the Assets Forfeiture Fund have exceeded \$3.5 billion, with over \$486 million of this deposited in 1994. The great majority of these deposits were from drug-related forfeitures and have served to dissolve the economic base of drug trafficking syndicates.

The Department shares the proceeds of forfeited assets with State and local law enforcement agencies that participate in Federal investigations resulting in forfeiture. Since 1986, the Department has shared over \$1.5 billion in Federally forfeited cash and property with more than 3,000 State and local law enforcement agencies. Sharing in 1994 exceeded \$220 million nationally.

The Department also continued its success in securing the cooperation of foreign governments to deprive criminals of their illicitly obtained wealth. The United States shared forfeited assets for the first time with two former East Bloc Nations, Romania and Hungary. In addition, the Department continued to cooperate with Switzerland on major forfeiture cases, including sharing of millions of dollars in assets forfeited in each country with the other.

Drug Intelligence

One of the initiatives undertaken by the Director of the newly-established Office of Investigative Agency Policies (see Chapter Five) was aimed at improving the use and sharing of drug intelligence within and outside of the Department by creating a uniform drug intelligence database. The database, named the Counterdrug Information Indices System, and known informally as DRUGX, serves as a pointer system to enable investigators to obtain and share information on drug-related cases.

To expand coordination of drug investigations beyond Federal agencies, to State and local agencies as well, DEA is also developing a National Drug Pointer Index System (NDPIX). The NDPIX will allow participating Federal, State, and local agencies to determine if other jurisdictions have information related to their ongoing drug investigations. NDPIX will facilitate coordination among participating agencies and reduce duplicative investigative efforts.

The El Paso Intelligence Center (EPIC) provides tactical and operational support to Federal, State, and local law enforcement agencies. For over 20 years, EPIC has been the U.S. Government's focal point for drug law information and intelligence as it pertains to drug movement. EPIC has agreements concerning the exchange and analysis of information with other Federal agencies involved in drug supply reduction, all 50 States, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands. It also has signed information sharing agreements with 20 foreign countries.

Using Technology and Information Sharing

The Department has been in the forefront of efforts to develop and apply sophisticated crime-fighting techniques. For example, to support violent crime initiatives, the FBI is developing the National Crime Information Center (NCIC) Violent Gang and Terrorist Organizations File (VGTOF). The VGTOF will provide: (1) on-line, real-time information to law enforcement officers and criminal justice agencies on members of violent gangs and terrorist organizations, and (2) point-of-contact information to promote the further exchange of more detailed information. In addition, the FBI Laboratory continues to provide a broad range of forensic services to State and local police agencies. In 1994, the FBI Laboratory performed over 2,500 DNA examinations, over 90 percent of which were for rape and murder cases.

DRUGFIRE is another example of an FBI innovation benefitting local communities. DRUGFIRE is a system for matching spent ammunition typically recovered from crime scenes. It helps firearms examiners solve serial, gang, and drug-related shootings. In the Baltimore/Washington area, for example, more than 200 pairs of shooting incidents have been linked that were not otherwise known to police.

The INTERPOL-USNCB, in support of the USMS and the DEA, has developed a system whereby known felons who have been indicted in U.S. District Courts for distribution of narcotics or money laundering, but who have left the country in an effort to avoid prosecution, are entered into the INTERPOL network to assist in their location and return. Nearly 200 such fugitives have been placed in the lookout system since the inception of the program in 1993.

Witness Protection and the Use of Wiretaps

In 1994, the admission of over 200 new principal witnesses into the Federal Witness Protection Program was authorized, bringing the total number of people in the program to more than 14,500.

In addition, in response to the U.S. Attorney's needs for the prosecution of street criminals in the District of Columbia, the USMS, in coordination with the Criminal Division, continued the Short Term Protection Program, which provided for the testimony of 29 witnesses in court.

The Department's Criminal Division provides valuable support to the U.S. Attorneys in their effort to curb violent crime. Last year, the Criminal Division reviewed 1,061 Federal wiretap applications and provided practical and legal advice to Federal enforcement agencies regarding the use of emerging telecommunications technologies.

Another significant event occurred on October 25, 1994, when President Clinton signed into law "The Digital Communications and Privacy Improvement Act of 1994." This represents a successful step in the important and highly visible effort to ensure law enforcement's continued capability to conduct court-authorized electronic surveillance.

Incarcerating Violent Criminals

In 1994, the USMS had nearly 20,000 pretrial prisoners in its custody everyday, housed either in State or local jails or a Federal Bureau of Prisons (BOP) institution. The USMS continued to work closely with State and localities, as well as BOP, to ensure that sufficient jail space was available for Federal detainees, and to contain the costs of incarceration. It

also transported these detainees in order to assure their appearance for court proceedings.

In order to ensure that violent criminals are locked up, BOP continued its ambitious facility expansion program. In 1994, BOP activated a total of 3,115 new bedspaces, 1,280 of which are at high security penitentiaries. At the end of the year BOP had a total inmate population of 95,034 (85,722 in its own facilities and 9,312 in contract confinement); in a system with a capacity of 64,751, that population level represents 132 percent of capacity.

A new BOP facility opened in July 1994. This 1,000-bed contract facility which is privately owned and operated, was opened in Eloy, Arizona and represents a cooperative effort involving the BOP, INS, and EOIR.

About 30 percent of all offenders in BOP custody have histories of substance abuse. In response, BOP has implemented a comprehensive drug treatment strategy, ensuring that all inmates eligible for drug abuse program services receive those services. A residential drug abuse program expansion is

underway to meet the requirements of the Violent Crime Control and Law Enforcement Act of 1994 and ensure placement of all "eligible inmates" in residential drug abuse treatment. In addition, a *Drug Abuse Treatment Handbook* has been developed by the BOP to provide a treatment regimen focused on the criminal justice population.

The BOP continues to receive a growing number of violent and repeat offenders in its institutions. To address problems presented by these offenders, the BOP offers "anger management" programs in which inmate groups discuss the nature of anger, its causes, and proven methods to reduce it, as well as participate in seminars that impart the principles of non-violent conflict resolution.

Inmate employment is vital in reducing idleness that breeds unrest and violence, and prison industries represents the most important means of employment in Federal prisons. At the end of 1994, Federal Prison Industries employed approximately 16,000 inmates — about 20 percent of its population.

Chapter II - Supporting Law Enforcement in the Community

Goal: Provide the maximum amount of support and cooperation for America's police departments and for the communities they serve.

State and local police organizations represent the front-line force of our Nation's battle against crime. The Department renewed its commitment to assist communities by helping put more police officers on the streets and by ensuring that Federal investigative training and assistance is available when needed. The Department also engaged in a series of programs and cooperative efforts aimed at reducing crime and improving the quality of life in our Nation's neighborhoods.

Putting More Police on the Beat

Early in the year the Police Hiring Supplement Program served as the initial "down payment" on President Clinton's pledge to add 100,000 police officers to America's streets. Under this program, the Department awarded 249 grants, totalling almost \$150 million, to help hire 2,020 sworn law enforcement officers nationwide. The Department received more than 2,700 applications requesting grants to hire additional officers. Jurisdictions in all 50 States received awards, including 226 local police departments, 19 county sheriff organizations, two State police departments, two Native American police units, and one transit police department.

Later in the year, the Community Oriented Policing Services program (COPS) was established by the Violent Crime Control and Law Enforcement Act of 1994. COPS is a major initiative that awards competitive grants to State and localities to assist in placing 100,000 new community police officers on the street over the course of the next several years. This program helps solidify the Administration's commitment to providing State and local communities with the human resources they need to ensure their neighborhoods are safe. In 1995, the COPS program will award grants to communities across the country — both large and small — to hire 20,000

new police officers. By 2000, all 100,000 will be hired and serving on the streets of America.

Encouraging the Use of Locality-Based Strategies

Community Policing

One of the most promising and exciting law enforcement strategies is community policing. Community policing serves as a bridge between law enforcement and the neighborhoods and streets where crime occurs. Close relationships are formed among law enforcement officials and community residents to develop solutions to criminal activities. In support of this strategy, the Department provides various types of assistance to localities.

The Department, through the Bureau of Justice Assistance (BJA), completed a framework to help local law enforcement agencies plan, develop, implement, monitor, and evaluate community policing initiatives. The framework was developed in conjunction with the International Association of Chiefs of Police, the National Sheriffs' Association, the Police Executive Research Forum, the Police Foundation, and the National Organization of Black Law Enforcement Executives. Fourteen sites are using the framework to develop department-wide community policing programs. BJA also produced a manual, *Understanding Community Policing: A Framework for Action*, which discusses the core elements of community policing—community partnership and problem solving.

During 1994, the Community Relations Service (CRS) enhanced its focus on reducing racial tensions between law enforcement and the community through a community-oriented policing philosophy. Each of CRS' 10 Regional Offices planned and conducted activities designed to build working partnerships, based on trust, between community residents and local law enforcement. CRS offered technical assistance to bring community leaders and police officials together, providing information on community-oriented policing and how the police can involve the community in policing efforts. In addition, CRS offered training in communities throughout the country, utilizing interactive presentations between police offi-

cials and minority community leaders, to discuss barriers that limit the development of police-community partnerships and how those limitations can be reduced.

Project PACT

Project PACT (Pulling America's Communities Together) is a broad Federal initiative commenced in late 1993 under the leadership of the U.S. Attorneys to empower communities to reduce crime and violence through comprehensive multi-agency approaches. Through Project PACT, the Federal Government will foster and support the development of broad-based, fully-coordinated local and Statewide initiatives that work to secure community safety. Two key principles animate this Project. First, local communities, not the Federal Government, will play the lead role in crafting solutions; and second, government actors at all levels must establish truly coordinated and multi-disciplinary approaches. Four jurisdictions — Atlanta, Georgia; Washington, D.C.; Denver, Colorado; and the State of Nebraska — are currently being assisted in identifying and developing effective solutions.

Relatedly, in 1994, BJA provided small planning grants to 16 jurisdictions with high rates of crime and violence to develop comprehensive strategies for preventing and reducing violent crime. The Comprehensive Communities Program requires local jurisdictions to work in partnership with the community to address crime and drug-related problems. Implementation grants were awarded to six sites in 1994, with the remaining 10 sites scheduled to receive implementation funding in 1995.

Operation Weed and Seed

Another community-oriented effort is the Department's Weed and Seed program. Thirty-six communities have now been provided pilot-demonstration funding to help develop and implement comprehensive strategies to "weed out" violent crime, drug dealers, and gang activity and "seed" the neighborhood through social and economic revitalization activities. In addition to providing continuation funding to 21 sites, the Department initiated 15 additional demonstration sites.

Weed and Seed sites receive preference in selected training and technical assistance and demonstration activities fund-

ed by the OJP and other Federal agencies such as the Department of Labor and the Department of Housing and Urban Development. Key interagency efforts include:

Safe Haven: This program was initiated in 1992 through an interagency agreement among the Departments of Justice, Education, and Housing and Urban Development. These funds supported the development of implementation materials and provision of training, as well as site support for a coordinator, and youth drug and alcohol prevention services. The Department of Education also provided funds which supported Safe Summer alcohol and drug prevention activities at the Safe Havens in the Weed and Seed pilot demonstration neighborhoods.

Step-Up: This training and technical assistance program was initiated in 1993 through an interagency agreement among the Departments of Housing and Urban Development, Labor, and Justice. The program provides training and technical assistance on how to develop and implement a Step-Up program which provides employment, job training, support services and career opportunities to residents of public housing and other low-income persons. A portion of the funds are supporting the development of training focused on the use of Step-Up as an education and job development opportunity for probationers and parolees.

Leadership Employment For Armed Services

Personnel (LEAP): This new training and technical assistance effort is a joint venture among the Departments of Labor, Justice, Education, Housing and Urban Development, and Health and Human Services. Through this venture, the National Center for Housing Management is preparing a training curriculum and providing technical assistance to the Weed and Seed sites, as well as other communities. Department of Justice funds support the recruitment, screening, training, and placement and limited technical support of ex-military personnel as resident managers and assistant managers in public housing facilities located in Weed and Seed sites and other troubled neighborhoods.

To encourage communities to implement the Weed and Seed strategy even when funding is not available, the Department is re-initiating its Official Recognition process. This process enables sites adopting a Weed and Seed strategy to receive limited technical assistance, training, and preference in applying for certain Federal funding programs.

Controlling the Proliferation of Dangerous Weapons

The Brady Handgun Violence Prevention Act (Brady Act) became effective on February 28, 1994, and it is landmark legislation in the Federal Government's anti-crime efforts. This Act requires the establishment of a National Instant Criminal Background Check System (NICS) by November 30, 1998, provides for a five-day waiting period for the sale of a handgun, and requires background checks of purchasers. The FBI is responsible for establishing and managing the operation of the NICS.

In 1994, the Civil Division successfully defended the Brady Act against several constitutional challenges that would have invalidated it entirely. And, in cases in which district courts have invalidated the provisions mandating that local law enforcement officials do background checks, the courts have accepted the Civil Division's arguments to sever the provision, upholding the validity of the remainder of the Act.

The U.S. Attorneys continued to prosecute those who violate Federal firearms statutes. Firearms prosecutions now focus on individuals with long criminal histories or excessively violent criminal behavior, and those who sell firearms as gun runners. During 1994, 4,695 defendants were charged with Federal firearms violations. Ninety-five percent of those sentenced during the year were sent to prison. The average sentence of incarceration was 95 months, with 205 defendants sentenced to life or more than 15 years. The U.S. Attorneys rely on stiff Federal penalties and the joint efforts of Federal, State, and local law enforcement to prosecute firearms offenders successfully.

Another effort is modeled on a joint project conducted by the New York Police Department and the Bureau of Alcohol, Tobacco, and Firearms (ATF), with BJA funding. The project

advises all applicants for new or renewed Federal firearms licenses of Federal, State, and local licensing and other firearms laws, the local gun dealer permit application process, and efforts to track firearms deliveries. During 1994, 135 of the 146 new license applications submitted were withdrawn. Of the 207 applications submitted for renewal between August 1993 and July 1994, 140 were either abandoned or surrendered, 32 were approved, 22 disapproved, and 13 cases were under investigation.

A special Firearms Investigative Task Force works to identify, target, investigate, and prosecute individuals and dismantle organizations involved in the unlawful use, sale, or acquisition of firearms. The project is based on a model firearms demonstration program developed by the Virginia Department of Criminal Justice Services, the Virginia State Police, and ATF with BJA funding. During 1994, the Task Force made 211 firearms arrests and seized 248 firearms.

Finally, in 1994, Bureau of Justice Statistics (BJS) prepared a special report entitled, *Firearms and Violence: Selected Findings from National Statistical Series*. This report presents key findings relating to crime and the role of firearms. For example, it states that victims of violent crime report that in almost 13 percent of the crimes the offender was armed with a firearm, and that approximately 858,000 armed attacks with firearms occur each year.

Assisting State and Local Law Enforcement

An effective attack on crime requires the concentrated efforts of all law enforcement agencies — Federal, State, and local. The Department seeks to provide leadership and support to the intergovernmental law enforcement community in a number of ways. Several of these are described below:

- The DEA Mobile Enforcement Team (MET) Initiative was created as a support service to help State and local police departments attack violent crime and drug trafficking in their communities. The MET's mission is to cultivate drug intelligence and investigations against violent offenders, and then share that information with State and

local authorities to further their homicide cases and prosecutions.

- In addition to the State and local training program at the Federal Law Enforcement Training Center in Glynco, Georgia, the Department provided direct, on-site training with various agencies such as the Pennsylvania Sheriff's Association, the Iowa State Jail School, the Conference of National Black Law Enforcement Executives, and the Ohio Bailiffs Conference. In 1994 there were 39 specific training programs focused in such areas as conducting physical security surveys, security and safety precautions, and planning for high threat trials.
- In July, INS established its Law Enforcement Support Center in South Burlington, Vermont, and began a 6-month pilot test with police in Phoenix and Maricopa County, Arizona, which gives automated access to INS and other data bases to provide timely information on aliens arrested as aggravated felons. Since 1991, INS has been entering warrants of deportation into the FBI's National Crime Information Center (NCIC) to alert other law enforcement agencies to wanted criminal aliens. During 1994, INS took custody of 298 criminal aliens through NCIC contacts.
- On April 20, 1994, the Attorney General and the Secretary of the Treasury signed a Memorandum of Understanding establishing a Federal Law Enforcement Wireless Users Group that is charged with developing a wireless telecommunications network for use by Federal, State, and local law enforcement officials. The agreement implements one of the recommendations of the National Performance Review and will give law enforcement officials a powerful new weapon in the war against crime, while saving taxpayer dollars.
- A new FBI special emergency response team was formed to address hostage taking, barricaded situations, terrorist activities, and other incidents of a critical nature which require a diverse group of law enforcement resources. This unit may deploy in support of the U.S. Department of State when U.S. citizens are kidnapped in overseas locations, as well as provide assistance and support to domestic police agencies upon request.
- In 1994, approximately 19,075 students received training at the FBI Academy. This included 1,027 local, State, and international law enforcement officers who graduated from the FBI National Academy Program. Of these, 89 were international police officials representing 46 countries. More than 5,900 other local officers received training at the Academy in a number of executive, forensic, and other specialized courses.
- The Criminal Justice Information Services Division (CJIS) processed 8,656,373 fingerprint cards and 4,431,039 pieces of correspondence from the 70,418 users of its services. The processing of fingerprint cards resulted in 3,317,566 identifications being made against existing records.
- The FBI continued to provide training on hate crimes for law enforcement personnel. A total of 3,234 law enforcement personnel representing 1,048 agencies have attended this training.
- The U.S. Attorneys promoted coordination and cooperation among Federal, State, and local law enforcement through the Law Enforcement Coordinating Committees (LECCs) they have established in each judicial district. The LECC program has become a permanent cornerstone of joint Federal, State, and local law enforcement efforts. The essence of the LECCs is *teamwork*—law enforcement from all levels training together, sharing information, and working together on task forces and subcommittees. The LECCs provide an organizational mechanism by which Federal law enforcement can reach out to State and local law enforcement to establish a vital link in the fight against crime. Several model programs have been created by United States Attorneys' offices to address current community concerns. In addition, LECCs have sponsored training seminars on such topics as homicide, firearms, armed career criminals, street and prison gangs, bomb threats, hate crimes, serial crimes, sexual assault, and terrorism.

Protecting America's Children

A major goal of the Department is to attack crime and drug addiction at their roots by giving every child a strong start in life. In 1994, the Department continued to support efforts to develop and test effective intervention strategies and community support programs that address the issues confronting our youth.

Anti-Violence Initiatives

The Department continues to support efforts to learn which prevention and intervention programs are most effective at solving the problems of violence confronting America's youth. Several major Departmental initiatives in 1994 are described below:

- The Office of Juvenile Justice and Delinquency Prevention (OJJDP) developed a comprehensive strategy that is the centerpiece of the Department's response to youth violence and is designed for implementation at the State or local level. It consists of prevention and intervention measures, including a range of graduated sanctions for juvenile offenders. Four sites currently are implementing demonstrations of the strategy.
- In 1994, OJJDP worked to implement a new grant program to reduce the risk factors for delinquency, such as child abuse and family disintegration, while strengthening protective factors, such as clear standards for law-abiding behavior and the presence of positive adult role models.
- Another OJJDP program brought together the Yale University Child Study Center and the New Haven Police Department in a unique collaboration to prevent young people who witness violence or who have been victims of violence from identifying with violent role models and viewing violence as an appropriate way to solve problems. The program trains all police recruits in the principles of child and adolescent development, provides clinical fellowships for veteran officers who have field supervisory roles, and offers a 24-hour consultation service for officers responding to calls in which children are either

the victims or witnesses of violence. The program also is developing training and technical assistance materials to assist jurisdictions interested in adopting and implementing this model approach.

- During 1994, CRS implemented a nationwide initiative to assist communities to prevent racial and ethnic violence and conflict in schools. One of the main techniques that CRS promoted was the incorporation of a conflict management and resolution skills curriculum in school districts. Through these training programs, students learned how to resolve their disagreements without violence. CRS conciliators provided the training to State agency staff, local school administrators, teachers, and counselors, who then train the students.
- CRS spearheaded the renewal of an effort to improve the relationship between police and urban youth. Two Police-Youth Task Forces were convened in Massachusetts and Connecticut. Chiefs of police, educators, youth advocates and youth leaders were brought together to discuss police and urban youth issues. The participants examined policies, procedures, and programs to develop cooperation and partnerships built on trust and respect. As a result of the New England task forces, a national police-youth initiative based on the New England models has been set in motion through the cooperative efforts with BJA, OJJDP, and CRS.

Ongoing Prevention and Drug Demand Reduction Efforts

The Department recognizes that strong prevention and awareness education efforts are key factors in deterring America's youth from relying on crime as a way of life. Several of the Department's efforts in this area are described below:

- BJA and OJJDP supported a nationwide effort by the Boys & Girls Clubs of America to establish or expand Boys & Girls Clubs for children from high crime neighborhoods. Also being implemented is the Cities in Schools model of dropout prevention, which is jointly

supported by OJJDP, the Departments of Labor, Health and Human Services, Commerce, and the Army. Both programs are geared to assist high-risk youth to make healthy lifestyle choices. A further effort is a BJA/NIJ/private sector partnership that funds Children At Risk, a demonstration program designed to reduce and control drug use and drug-related crime in target neighborhoods by providing alternative opportunities for young people.

- The prevention of delinquency by Native American youth is targeted by OJJDP's support of the Native American Alternative Community-Based Program. The program develops community-based alternative programs for Native American youths adjudicated delinquent, as well as re-entry programs for Native American youth returning to the community from institutional placements. The National Indian Justice Center provides training and technical assistance to the four tribes participating in the project — the Red Lake Band of Chippewa Indians, the Navajo Nation, the Gila River Indian Community, and the Pueblo of Jemez.

The harm caused by the use of and trafficking in illegal drugs continues to be the target of many of the Department's programs. While law enforcement acts as a deterrent to drug abuse and drug trafficking, the long-term answer to the drug problem goes beyond traditional law enforcement actions. To reduce the demand for illegal drugs, strong education and prevention efforts are needed. For example:

- DEA has a Demand Reduction Program with six priorities. These include:
 - Anti-Legalization Education
 - Law Enforcement Training
 - National Youth Programs such as DARE (Drug Abuse Resistance Education) and Mentorships
 - Drugs in the Workplace Training Programs
 - Sports Drug Awareness Training and Prevention
 - Coalitions with Communities Across America.
- U.S. Attorneys throughout the country are in a unique position to initiate demand reduction activities. Examples

include "Successful Partnerships-The Team Approach" in Southern California which helps students stay in school, attain goals and stay away from drugs and crime, and "Syracuse-Onondaga Business Against Drugs (SO BAD)," a workplace/community coalition-building program in Northern New York which aims to send a clear message on the benefits of a drug-free lifestyle.

- A National Institute of Justice (NIJ) evaluation of the Maricopa County (Arizona) Demand Reduction Program found that the "Do Drugs, Do Time" approach achieved its principal objectives during its first 24 months of operation. It created community-wide awareness of the severity of the drug problem and of the need to hold drug users accountable. The program resulted in increased prosecution and participation in drug treatment programs.
- The National Citizens' Crime Prevention Campaign continued to develop and produce a full range of crime prevention and public service announcements and materials. The National Crime Prevention Council, which administers the campaign, provided technical assistance and training on topics ranging from planning and managing prevention programs to national drug demand reduction workshops for police chiefs and sheriffs.
- The FBI Drug Demand Reduction Program continued to support such programs as the Boys and Girls Clubs of America, the Boy Scouts and Explorers Program, Adopt-A-School Programs, the National Family Partnership, the Martin Luther King, Jr. Youth Against Violence, and National Night Out. During the month of October, each FBI field office recognized a citizen/program for outstanding drug prevention work with the Director's Community Leadership Award.

Children as Victims

Unfortunately, our efforts to shield children from exposure to the law enforcement process are not always successful. In cases where children must be involved, the Department attempts to develop programs that will deal with them in a sensitive and effective manner.

The sexual abuse of children continues to be a horrifying reality of our Nation and the Department's law enforcement efforts to target those responsible continue unabated. In 1994, the Office of Victims of Crime (OVC) provided funding authorized by the Children's Justice Act to 11 Indian tribes to improve the investigation and prosecution of child sexual abuse cases in Native American communities. Grant funds supported training for advocates to represent children in tribal court, efforts to revise tribal codes to address crimes against children, and the development of procedures and training for multi-disciplinary teams.

The dramatic increase in the number of computers and their ability to transmit pictures throughout the world have led to their increased use in child pornography. In 1994, the Department tried the first Federal case involving the importation of child pornography by computer and obtained a sentence of 72 months of imprisonment for the defendant. This case is expected to establish new case law in the areas of computer crime, search and seizure, and application of the sentencing guidelines.

In a further effort to eliminate the use of computers to transmit child pornography, FBI technicians and Department attorneys joined forces to develop a training course for investigators who pursue cases where child pornography is transmitted by Electronic Bulletin Board Systems. The FBI is conducting further research to develop better tools to analyze this type of computer evidence.

Special Training and Programs

Once a child has been the victim of sexual abuse it is imperative that the law enforcement community develop mechanisms that will ensure that the child is not further victimized during the investigation and prosecution of the case. The OVC works to assist States, U.S. Attorneys, Federal law enforcement agencies, and Native American tribes in training personnel who handle cases involving child victims. For example, OVC helped the U.S. Attorneys for the Northern and Eastern Districts of Oklahoma convene a conference of Federal and tribal prosecutors, law enforcement officers, and victim advocates. The conference resulted in 17 tribal leaders signing a Memorandum of Understanding with the U.S.

Attorneys for handling child victim cases that will result in a faster response and better services for children.

The OVC and OJJDP jointly provided funding to develop and implement a protocol that will add a victim service component to multi-jurisdictional task forces working with child exploitation and child pornography cases. The OVC also supported the attendance of 50 Federal criminal justice personnel at the Dallas Crimes Against Children Conference. Child abuse investigators from the FBI, the Bureau of Indian Affairs, and the National Park Service were trained in improved techniques for handling child abuse investigations.

The NIJ also is evaluating a BJA-funded program that provided grants to States to promote the use of closed-circuit television and videotaped testimony in child sexual abuse trials. The study will assess the usefulness of these technologies in reducing trauma to child victims when testifying.

The OJJDP supports the National Network of Children's Advocacy Centers through the development and implementation of coordinated training, technical assistance, and information sharing programs. The Network links local Children's Advocacy Center programs, which provide multi-disciplinary coordination in the investigation and prosecution of child abuse cases, limited seed money, training, and technical assistance. Participants in this effort include the National Children's Advocacy Center in Huntsville, Alabama, the University of Oklahoma's Justice Center in Tulsa, and the National Children's Advocacy Center in Honolulu, Hawaii.

Finally, the Department's effort to protect children extends to the investigation and prosecution of parents who willfully fail to pay support obligations for a child living in another State. The U.S. Attorneys, through their enforcement of the Child Support Recovery Act of 1992, have undertaken a massive effort that includes developing effective referral and screening procedures in coordination with State and local child support agencies. Currently there are hundreds of cases under active investigation.

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Chapter III

Securing America's Borders

Goal: Provide the maximum possible protection along America's borders.

In 1994, immigration again was a major issue confronting the country, as a series of emergency situations arose. Events such as the heavy migration of Cubans and Haitians brought into clear focus the desperate nature of many foreign nationals who seek a new start in this country. Moreover, the continuing influx of individuals from Latin American countries through land ports-of-entry and of Asians smuggled in via sea vessels provided more evidence of the strain on our existing enforcement capacities.

Recognizing that the country must develop a long-term solution to immigration problems, the Attorney General and the Commissioner of the Immigration and Naturalization Service (INS) announced a comprehensive Administration plan in February 1994. The plan addressed five major initiatives: strengthening border control, removing criminal aliens, reforming the asylum process, improving employer sanctions, and promoting naturalization. These initiatives called for increases in staffing and equipment, new technologies, streamlined procedures, and upgraded infrastructure to rebuild and revitalize the INS.

Border Enforcement

In 1994, the INS expanded its new and aggressive border control strategy of "prevention through deterrence." This approach is based on a high visibility deployment of agents in areas where most illegal crossings are known to occur. The strategy showed success throughout the year in El Paso, Texas, where it is known as Operation Hold the Line. Apprehensions of illegal aliens there fell by 72 percent compared to 1993 totals. In fact, there were fewer apprehensions in El Paso in 1994 than in any year since 1971.

Building on this success, the INS prepared to implement a modified version of the strategy along the vastly different California border. This involved completing the 14-mile reinforced border fence, installation of high intensity lighting, and other security improvements. In September 1994, the Attorney General announced a border control plan called

Operation Gatekeeper, in the border's busiest sector in San Diego, California.

In direct support of both the San Diego and the El Paso initiatives, the INS used a significant budget enhancement last year to hire 350 new Border Patrol personnel. Consequently, year-end agent strength increased by nearly 30 percent in San Diego (from 997 to 1,290); in El Paso, the number of agents increased from 608 to 643. In addition, the Border Patrol received new vehicles, advanced radio equipment, and more automated support systems. All of these upgrades are critical components of the heightened focus on deterring entry.

The new strategy of preventing people from entering illegally rather than of just apprehending them after they have crossed the border has shown promising results. For example, although total apprehensions by the Border Patrol exceeded 1,030,000 nationwide, they fell by almost 20 percent (to less than 980,000) on the southern border. Because there are many reasons why the number of apprehensions may fluctuate, INS is evaluating data from other indicators to identify its most effective border enforcement tactics.

Important new technologies were introduced or expanded during the past year to identify patterns and help control the flow of illegal immigration. These technologies included INS' Automated Fingerprint Identification System, which is designed to counter the threat from criminal aliens. Other evolving operational support systems include the following:

- The ENFORCE case tracking system, being tested in McAllen, Texas, and San Diego, California, automates the processing of apprehended aliens. Preliminary results show time savings of 33 to 80 percent, depending on the type of case, allowing agents to spend more time on the border and less time on paperwork.
- The Computer-Aided Detection and Reporting Enhancement (CADRE) system, developed in Swanton and Houlton, Vermont, and installed in Marfa, Texas, and San Diego, California, improves the effectiveness of remote sensors and electronic surveillance along the border.

Employer Sanctions and Document Fraud

Both the Executive Office for Immigration Review (EOIR) and the INS played important roles last year in maintaining an aggressive Department stance against illegal employment practices. Identifying and penalizing fraudulent activity of this nature is an important enforcement activity that also protects normal marketplace dynamics. As an indication of its efforts in this area, INS' investigations of workplace violations in 1994 resulted in more than \$4.3 million in employer fines. Similarly, EOIR received 218 complaint filings in related matters and issued over 800 administrative orders.

At the same time, INS continued to make improvements in the employment verification process, for example, by reducing (from 29 to 16) the number of acceptable documents showing work eligibility. In preparation for the planned expansion of the Telephone Verification System pilot program in 1995, INS identified an additional 200 employers willing to participate.

Sanctions enforcement also benefited from the installation of additional computer equipment in INS' District Offices and from the continued emphasis on dismantling large-scale fraudulent document manufacturers and vendors. Agents issued more than 2,000 fine notices for civil document fraud in 1994. One case resulted in a record fine of \$970,000 against an employer who falsified more than 400 Employment Eligibility Verification forms.

Anti-Smuggling Initiatives

Unscrupulous exploitation of would-be immigrants by smugglers continued to be a major enforcement problem in 1994. Agents from INS, working as a task force with personnel from the Secret Service, the Customs Service, and the Internal Revenue Service, successfully concluded the undercover investigation of a large international alien smuggling ring. Eleven criminal conspirators from the United States and Panama, as well as 180 aliens, were arrested. It was estimated that more than 900 aliens had paid over \$10,000 each to be smuggled out of Asia through Central America and Europe to

the United States. In addition to alien smuggling, the conspirators were subject to prosecution for bribery, document fraud, and money laundering.

In an attempt to undercut smugglers' recruitment efforts in their homeland, INS repatriated to the People's Republic of China (PRC) 282 persons whom smugglers had transported to the United States in the past. These repatriations resulted in part from formal talks in Beijing between United States and PRC officials in January and April of last year.

There were other examples in 1994 of how different agencies collaborated in curbing the smuggling problem. One involved "Operation Card Party" — a multi-year joint investigation by the Department's Office of Inspector General (OIG) and Treasury's Customs Service. This enforcement action identified Turkish and Chinese alien smuggling rings and a Chinese textile smuggling operation. A sting operation resulted in 30 arrests and 19 guilty pleas, and also prevented the importation of contaminated food into the U.S. from China. In another example, the Department's Civil Division successfully defended a number of decisions by the Board of Immigration Appeals that denied asylum to smuggled Chinese aliens, directly supporting the Administration's response to this rapidly growing problem.

Inspections

Working closely with other Federal agencies, INS pursued a number of initiatives during 1994 to expedite the flow of legal traffic through U.S. ports-of-entry, and to deny admission to those not qualified to enter. Expanded use of advanced technology was a key factor in helping INS address these obligations and move towards a more efficient inspections process in the future.

One of INS's most promising initiatives in this area continues to be its Passenger Accelerated Service System (INSPASS). Introduced in May 1993, INSPASS uses biometric technology to speed the inspection of frequent travelers who enroll in the system and receive a special card. With a rapid rise in the number of participating individuals, there were more than 53,000 INSPASS-related inspections in 1994. The system was cited by the Attorney General as a model pro-

gram during National Customer Service Day commemorations last year.

Another initiative that is helping set a higher standard of service to the traveling public is the Dedicated Commuter Lane (DCL) project at Blaine, Washington. Issuance of a special decal allows expedited entry by frequent border crossers. With the experimental project continuing to receive good results during 1994, INS officials completed negotiations with U.S. Customs and the Canadian Government to open DCLs at additional sites next year.

The second major facet of INS's inspections responsibility requires a sharpened focus on excluding those ineligible to enter the country. In support of this mission, the Interagency Border Inspection System (IBIS) is critical. This automated lookout system links the data bases of several different inspection agencies and was expanded last year to include 15 additional airports, 16 land border ports, and two seaports. This has further strengthened the country's security against terrorists, drug traffickers, and criminals. The IBIS also supports the Advance Passenger Information System (APIS) that allows inspectors to conduct computer queries on U.S.-bound passengers while their flight is still en route. Approximately 40 percent of all air arrivals participated in the APIS program in 1994.

Detention and Criminal Aliens

Maintaining an adequate detention capability is important to INS' broader enforcement responsibility to confine and eventually remove certain deportable aliens. Considerations of public safety and security are paramount in this area, and INS continually seeks the fastest resolution of a detainee's legal status. The capacity problem was relieved somewhat during 1994 with completion of the new contract facility for excludable aliens in New Jersey, and the joint INS/BOP facility for criminal aliens in Arizona. In addition, INS completed construction of additional dormitory space at several Service Processing Centers (SPC). Moreover, the SPC in San Pedro, California, was accredited by the American Correctional Association (ACA), increasing to six the number of ACA-accredited INS detention centers.

The Department gave special attention in 1994 to maintaining the centralized detention of criminal aliens whenever possible, thereby facilitating the conduct of expulsion hearings. This approach seemed to pay off handsomely for INS as it registered a 24-percent increase in criminal alien expulsions from the three facilities where most of these individuals are housed. Altogether for 1994, the INS deported almost 22,600 criminal aliens, approximately 12 percent more than the previous year.

Contributing to this success has been the close working relationship between INS, EOIR, and BOP. Such cooperation was instrumental in improving the Institutional Hearing Program, which directly supports expeditious deportation proceedings for sentenced prisoners. In addition, BOP continued to shoulder a large proportion of the detainee burden. For example, at the end of last year, the BOP had in confinement 1,700 INS detainees, of whom 960 were Cuban detainees.

The Department also took steps last year to relieve the financial burden on States that have a high criminal alien detainee population. Specifically, the Office of Justice Programs moved to implement the State Criminal Alien Assistance Program (SCAAP), under which nearly \$43 million is being provided to the seven States most affected (California, New York, Illinois, Arizona, Florida, New Jersey, and Texas). According to an Urban Institute study, these States were found to have the highest populations of illegal criminal aliens in their prison systems, comprising, in total, over 80 percent of all such detainees in the entire country. Other States will be eligible to apply for funding in 1995.

Reform of Asylum Policy and Procedure

Department organizations took a number of steps during 1994 to fulfill the President's pledge to "reform this country's asylum processes." Following an intensive internal review of the program, INS integrated and greatly streamlined procedures that are built around the following key features:

- granting of meritorious claims within 60 days, and the referral of non-granted claims directly to immigration judges;

- withholding work authorizations until asylum is granted or until a claim remains pending for 180 days. (This is intended as a deterrent to frivolous or fraudulent claims.)

To help ensure that these new procedures and timeframes work, both INS and EOIR completed recruiting, training, and other reforms. For example, INS' Asylum Officer Corps more than doubled; EOIR added 63 new Immigration Judges; and the Board of Immigration Appeals was expanded from five to nine permanent members. In addition, EOIR adapted its automated system to allow for the more efficient and coordinated scheduling of cases and for the monitoring of timeframes. All of these steps support the overall goal of expediting case processing, while still ensuring due process protection.

Aside from these procedural reforms and the associated workload increases, asylum officers made significant productivity gains in 1994, completing more than 54,000 cases, or about 46 percent more than in 1993.

Improving the Hearings Process

Coordination between EOIR and INS led to continued progress during 1994 in the design and application of mutually-beneficial automated systems. For example, the Interactive Scheduling System (ISS), previously known as the Order to Show Cause Pilot Project, was created in response to a legislative requirement that aliens receive personal service of their hearing notices, if possible. This system gives the INS access to EOIR's own automated scheduling information, thereby enabling the alien to be given the location, date, and time of hearing at the time they are charged.

The ISS system is currently operating in six cities and is scheduled to be fully implemented in 1995. Streamlining the notification process in this manner has increased appearance rates, decreased the average time from issuance of the charging document until the first hearing, and eliminated duplication of effort. For example, for aliens processed through JFK Airport in New York for exclusion proceedings, the appearance rate increased from approximately 25 percent to 75 percent. For the aliens who failed to appear, the judges were able to issue decisions in 95 percent of the cases as opposed to 45 percent prior to the pilot project.

The EOIR has also been participating with the INS on a Video Teleconferencing (VTC) Pilot Project. The purpose of the pilot is to assess the feasibility of current VTC technology and its application to the court. If proven viable, VTC could be used in EOIR's Institutional Hearing Program, for people seeking asylum, to respond to sudden shifts in caseload and, possibly, for oral arguments before the Board of Immigration Appeals.

Coordination with Other Federal Agencies in Responding to Immigration Emergencies

Due to the volatility and overlap of many immigration issues, there is a special need to maintain strong interagency cooperation while complex problems are addressed. As discussed above, the INS works closely with both Justice and non-Justice agencies as it carries out its enforcement obligations regarding drug interdictions, port inspections, employer sanctions, and criminal alien detention.

On occasion, situations of historic proportions arise that severely strain the capabilities of all involved parties. During 1994, two such situations developed in the Caribbean area: the implementation of a new policy toward Haiti in May and the sudden mass migration of Cuban rafters in August. Although extraordinarily difficult, these emergencies exemplified the Department's commitment to working with other Federal agencies and local governments.

When the Administration's modified Haitian policy opened new opportunities for its interdicted boat people to apply for refugee status, the INS worked closely with the National Security Council, the Departments of State and Defense, the U.S. Coast Guard, and CRS to implement the new migrant procedures. Over 170 INS asylum officers were recruited and trained to staff a processing Center located aboard a U.S. Navy hospital ship, and, subsequently, at a safe haven camp at Guantanamo Bay, Cuba. These actions, along with CRS' on-site presence at both locations, facilitated the pursuit of complex and sensitive diplomatic solutions to Haiti's problems while providing necessary safeguards and humane assistance to genuine refugees.

Interagency coordination flourished again later in the Summer when Cuban rafters set off for Florida. The CRS, by increasing its on-site staff to more than 65 persons, was again instrumental in helping reduce tension at the Guantanamo base facility. In addition to their conciliation work and their efforts to reunify families, these personnel also organized educational and recreational programs for children, and provided special care for unaccompanied Cuban and Haitian children. The CRS also provided air transportation for donated goods to Guantanamo as well as for refugees approved for resettlement to the United States. Resettlement services included sponsor-

ship placement and community follow-up for individuals paroled into this country for medical or other humanitarian reasons.

In response to heightened community tension in South Florida exacerbated by the Cuban and Haitian migrant influx, CRS was on-site for various demonstrations and marches in the Miami area to provide conflict prevention and conciliation services. The CRS also served as a liaison between the Cuban and Haitian communities and the Department to assist in the resolution of tension-causing problems.

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Chapter IV - Making the Legal System Work for All Americans

Goal: Work to insure that Americans receive equal access to the legal and law enforcement system.

In addition to helping combat serious violent crimes, the Department has an obligation to investigate criminal activity in other areas which, if allowed to prosper, would erode the public's trust in the fairness of its justice system. Enforcing with vigor the civil rights laws of the United States, safeguarding the public lands and natural resources of America, and protecting free and open competition through the Nation's antitrust laws, are significant endeavors of the Department of Justice.

Guaranteeing the Civil Rights of Americans

During this past year, the Department witnessed a number of emotionally charged, highly-publicized civil rights cases focusing on such diverse issues as the right to provide or receive reproductive health services; the right of reasonable access to public accommodations, including the right to be served in a restaurant; and the prosecution of hate crimes. These cases illustrate the need for strong and vigilant enforcement of the Nation's Federal civil rights laws. A range of prosecutorial successes in 1994 evidences the commitment of the Department to this goal.

Criminal and Civil Rights Violations

In a year of unprecedented accomplishment, the Department filed a record number of criminal civil rights cases (76) and charged a record number of defendants (139). This total included a precedent setting number of defendants being charged in racial violence cases, and a 100-percent success rate was achieved on all racial violence prosecutions. Guilty pleas from 79 defendants, coupled with 23 trial convictions, resulted in an overall success rate of 90.2 percent.

Freedom of Access to Clinic Entrances Act

In an effort to stem the tide of verbal and physical violence inflicted upon persons exercising their reproductive rights, the Civil Rights Division vigorously pursued violations under the recently enacted Freedom of Access to Clinic Entrances Act of 1994 (FACE). The Act, which was signed into law by President Clinton on May 26, 1994, makes it a crime to use force, threats of force or physical obstruction to injure, intimidate or interfere with individuals because they use or provide reproductive health services. The Civil Rights Division, sharing joint enforcement authority with the Criminal Division, has already charged 13 defendants in three cases. In addition, the Civil Division has successfully defended a number of constitutional challenges in district courts by anti-choice organizations and activists to the FACE Act.

In a well-publicized case, the Civil Rights Division, in conjunction with the local U.S. Attorney, obtained an indictment against defendant Paul Hill for the brutal execution of a physician and his escort, and the attempted execution of the escort's wife, in front of a reproductive health services clinic in Pensacola, Florida. Examination of computer evidence by the FBI Laboratory was instrumental in the successful prosecution and conviction of Hill, one of the first under the FACE Act.

In response to the shooting, the USMS Deputies began providing round-the-clock security at 24 abortion clinics. Personal protection details were also provided for a number of physicians who practice at abortion clinics around the nation. The Task Force on Violence Against Abortion Providers, which comprises Department of Justice attorneys, representatives from the USMS, the FBI, and the Bureau of Alcohol, Tobacco, and Firearms (ATF), is continuing to monitor the situation.

In addition, the Department filed its first FACE action for civil damages and injunction against a man who was harassing a doctor who worked at an Ohio clinic.

Attacking Hate Crime

The Department redoubled its efforts to prosecute hate crimes, an insidious violation of civil rights. For example, a

cooperative investigation between the FBI, the ATF, the Tacoma Police Department, and Salinas, California authorities led to the arrests and convictions of multiple subjects involved in the pipe bombing of the NAACP headquarters in Tacoma, Washington. A similar joint investigative matter with ATF and the Sacramento Police Department resulted in the conviction of a juvenile responsible for several racially and ethnically-motivated fire bombings in the Sacramento, California, area. Another success included the convictions and lengthy sentences of several Ku Klux Klan members in South Bend, Indiana, for their racially-motivated assaults on an African-American couple inside their residence.

Public Accommodations Enforcement

A major success in guaranteeing the rights of every citizen to public accommodations involved a comprehensive consent decree with the Denny's Restaurant chain in which two classes of private plaintiffs were awarded a monetary settlement totaling \$46 million. Injunctive relief included: the retention of a civil rights monitor to assure compliance with the decree; an education and training program for current and new employees; implementation of a testing program to monitor the practices of the company and franchised-owned restaurants during the term of the decree; and implementation of an advertising program which will feature African-Americans and members of other racial minority groups as customers and employees to convey to the public that all potential customers, regardless of their race or color, are welcome at Denny's.

Voting Rights

After working closely with Congress to secure passage of the National Voter Registration Act of 1993, known popularly as the "Motor Voter Act," the Department used investigative and outreach techniques to prepare States for their responsibilities as of January 1, 1995 for registering voters by mail, and through driver licensing and other State agency offices.

In other voting rights activity, the Department initiated more than twice as many voting rights lawsuits as in the preceding year, including litigative efforts to defend Congressional redistricting plans, drawn to comply with the

Voting Rights Act, in Florida, Georgia, Louisiana, North Carolina, and Texas from challenges inspired by the Supreme Court's 1993 decision in *Shaw v. Reno*, that they constitute unconstitutional "racial gerrymanders." Nineteen of the total of 27 new lawsuits, and most of the 55 objections interposed during the year under Section 5 of the Voting Rights Act, attacked electoral systems and redistricting plans that deny to minorities an opportunity fairly to elect candidates of their choice.

The Department took additional steps to ensure fair voter participation by obtaining consent decrees in two New Mexico counties imposing detailed minority language election-information programs to enable Native Americans to become full electoral participants.

Employment and Fair Housing Rights

Monetary sanctions can help to deter employers from violating U.S. employment laws, and the Department used this vehicle successfully in 1994. In excess of \$12 million in back pay and pension relief was obtained for victims of employment discrimination in New Jersey under Title VII of the Civil Rights Act of 1964, \$7.1 million of which will be divided among a group of black and female candidates who were denied law enforcement positions because of discriminatory written and physical-ability examinations that were administered by the New Jersey Department of Civil Service. In other cases:

- \$2.2 million in back pay and other relief was obtained for approximately 300 Filipino teachers who had been discriminated against by the Northern Mariana Island Public School System on the basis of national origin;
- The Delaware Department of Corrections agreed to a \$3 million settlement that will provide relief to approximately 130 women who were denied hire and promotion opportunities as corrections officers by the State.

In the area of immigration-related unfair employment practices, the Civil Rights Division's Office of Special Counsel (OSC) obtained an important ruling that "all work-authorized individuals" are protected under the Immigration

Reform and Control Act (IRCA) "document abuse" provisions as well as a ruling from the 11th Circuit upholding the power of an Administrative Law Judge to issue subpoenas (on its own initiative or at the request of OSC) prior to the filing of a complaint. These rulings strengthen the anti-discrimination enforcement mechanism provided by IRCA.

The Department also launched a national media campaign entitled "Look at the Facts; Not at the Faces" as a means of dealing with immigration-related employment discrimination, and an employer hotline was inaugurated to ensure that employers have ready access to information on how to comply with the IRCA anti-discrimination provisions.

The Department takes great pride in its Fair Housing Testing Program, the first of its kind among Federal agencies. It provides a powerful investigative tool for determining whether a housing provider or lending institution is discriminating. In 1994, settlements in four broad pattern-or-practice cases created a pool of about \$750,000 for persons who are identified as victims of the illegal discrimination.

Americans with Disabilities Act (ADA)

One of the guiding forces in ensuring that the rights of all Americans are guaranteed is the Americans with Disabilities Act (ADA). Through a comprehensive technical assistance program, lawsuits, and both formal and informal settlement agreements, the Department has achieved greater access for persons with disabilities and discrete relief in nearly 200 situations involving State and local government entities and the private sector. For example: broadened access to emergency medical services and dental care for persons with HIV/AIDS has been obtained; educational and testing opportunities for persons with communication and cognitive disabilities have been increased; and basic services of local government (such as 911 emergency services, town halls, and police departments), and a wide variety of existing facilities (such as parking lots, restaurants, and movie theaters), have become more accessible. Through its amicus participation, the Department has argued for ADA coverage of zoning practices and arrest procedures, challenged overly broad inquiries into the mental health history of candidates for the bar, and supported dispersed accessible seating in movie theaters.

In order to increase awareness of this important legislation, more than 7.5 million publications and information pieces have been disseminated. In addition, radio and television public service announcements have been aired featuring the Attorney General in order to promote understanding of the Americans with Disabilities Act and encourage the use of a toll-free number to obtain information about it.

Safeguarding America's Natural Environment

In 1994, the Department continued to play an important role in protection of the Nation's environment through pollution control, protection of natural resources, and protection of the rights of Native Americans. The Department also advanced the Administration's goals of ensuring that the environment is safe and healthy for all Americans through the enactment of an Executive Order on Environmental Justice, representing the United States on international environmental issues, promoting Alternative Dispute Resolution for solving environmental cases, and taking an "ecosystem" approach to land and resource management.

Natural Resources Protection

The Department has devoted significant resources to assisting the Federal land management agencies in efforts to resolve litigation over the effects of Federal activities on the Nation's ecosystems, and to provide legal advice to these agencies as they move toward an ecosystem approach to land management. In particular, the Department and its client agencies have worked to implement an ecosystems approach to restoring the degraded Everglades ecosystem in South Florida; taken a comprehensive view of resolving issues related to the protection of salmon in the Pacific Northwest; and are successfully defending challenges to the President's Forest Plan, which is an ecosystem management strategy for all Federal forests within the range of the northern spotted owl.

Developing Partnerships with Native Americans

In the past year, the Department, with other agencies, has made the development of a new partnership with Indian tribes a priority. In May 1994, the Departments of Justice and the Interior sponsored the National American Indian Listening Conference in Albuquerque, New Mexico. The Conference provided tribal leaders an opportunity to participate in the process of rethinking the Federal-tribal relationship and serves as an excellent example of how we can enhance performance dramatically by focusing on the special needs of certain customers and clients. The Conference successfully brought together over 300 tribal leaders from around the country and over 100 Federal officials from Interior, Justice and HUD for two days of listening and learning about Native American concerns. Future dialogue among these communities are planned on subjects ranging from natural resources to the status of tribal governments and courts.

In addition, the Department has had an active and successful year litigating cases on behalf of Tribes, including defending a Minnesota tribe's treaty rights to hunting, fishing and gathering, protecting water rights of several Arizona tribes, and successfully arguing against State and county taxation of the Tribe's reservation income from oil and gas activities on its fee-owned lands.

Another indication of the Department's commitment to protecting the rights of Native Americans is the creation in 1994, of the Office of Tribal Justice.

Defending EPA's Regulatory Actions

The Department continued its efforts to defend the Environmental Protection Agency's (EPA) regulatory programs. The Department's primary goal in handling such defensive litigation is to preserve EPA's range of lawful discretion so that it is able to make important policy determinations and implement complex regulatory programs without being unduly hindered by overly restrictive interpretations of the law.

In 1994, the Department had particular success in defending a number of EPA actions to regulate hazardous wastes under the Resource Conservation and Recovery Act (RCRA).

For example, the Department obtained a favorable decision rejecting industry challenges to EPA's "mixture and derived-from rules," which form part of the definition of what constitutes "hazardous waste" subject to regulatory controls under RCRA, and another ruling upholding EPA's determination that used oil should not be listed as a hazardous waste because existing regulations provide adequate protection against plausible mismanagement scenarios.

Criminal and Civil Enforcement Actions

The Department continued its efforts to hold individuals and corporations accountable for environmental crimes, and in several recent cases, company officials were sentenced to record terms of imprisonment. For example, in *United States v. Craven Laboratories, et al.*, Don Allen Craven, president of Craven Laboratories, was sentenced to a five-year prison term and fined \$50,000 for concealing and falsifying pesticide residue tests required by EPA for the protection of public health. The company was fined \$15.4 million, and both Craven and his company must pay \$3.7 in restitution to defrauded pesticide manufacturers and EPA.

The first criminal prosecution and conviction under the 1990 Oil Pollution Act (OPA) resulted from a multi-agency investigation called "Operation Overboard," whose goal was to detect, document, and prosecute deliberate discharges of waste oil by commercial vessels into waters of the United States. In *United States v. Palm Beach Cruises, S.A. (PBCSA)*, a cruise line company pled guilty to two counts of violating the OPA for discharging waste oil from its bilges causing a 2.5 mile-long oil slick. They received a \$500,000 fine and agreed to establish and maintain an effective environmental compliance program.

The Department also had a successful year in the arena of civil environmental enforcement. The Environment and Natural Resources Division secured the assessment of over \$65 million in civil penalties in 1994. The Department also had continuing success in Superfund enforcement. Despite the pendency of reauthorization and, hence, possible revision of liability rules, the Department recovered \$300 million in costs for the Superfund, secured more than \$330 million in

commitments for cleanup work, and obtained more than \$15 million in natural resource damages.

The Department obtained record penalties under several statutes in 1994:

- The largest penalty for violations of RCRA financial responsibility regulation, a \$4.6 million judgment against Ekco Housewares, the current owner and operator of a RCRA storage and disposal facility in Ohio.
- The highest penalty ever assessed for violating the mercury National Emissions Standards for Hazardous Pollutants, a \$1 million fine, levied against the Olin Corporation for violations of the Clean Air Act and the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA).
- The largest court-awarded civil environmental penalty ever obtained, an \$8 million award against Marine Shale Processors, Inc., for Clean Air, Clean Water, and RCRA violations in a multi-media action against a sham recycling operation.

The Department also settled a major case brought against Eastman Kodak Company for RCRA violations at its industrial facility in Rochester, New York. Under the settlement, an aging industrial facility will be brought into compliance with environmental laws without forcing the plant to close or jobs to be lost. In addition, Kodak agreed to an \$8 million civil penalty. The decree also provides for comprehensive injunctive relief that is estimated to exceed \$50 million.

In addition, the Department has worked on several significant new initiatives. Along with the EPA, the Department has sought to improve and streamline the Superfund process by entering settlements that expedite resolution of certain categories of cases, including cases against small volume contributors, thereby avoiding lengthy and expensive litigation.

Additionally, the Department negotiated and approved EPA's execution of seventeen "prospective purchaser agreements", which are designed to induce entities to buy and put to productive use contaminated property that is the subject of a Superfund cleanup. In return for the government's promise that it will not seek to impose Superfund liability upon them,

purchasers agree either to reimburse the government for past cleanup costs or to perform some portion of the cleanup.

The Department has also facilitated an ecosystem approach to land management through land acquisition. For example, in December 1993, the Department filed suit to acquire 11,950 acres of land by eminent domain for inclusion in the Lower Rio Grande Valley National Wildlife Refuge in Texas. The addition of this land to the Refuge is necessary to protect against irreparable harm to the unique natural resources located on this unit of the Refuge, including an endangered species habitat, coastal wetlands, and barrier islands, as well as the Refuge corridor connection with the Gulf of Mexico.

International Issues

The Department continued active participation in developing and advocating Administration positions on a wide range of international environmental matters. These include representing the U.S. at the Preparatory Meeting for the Ninth U.N. Congress on the Prevention of Crimes and the Treatment of Offenders, and heading the U.S. delegation to the U.N. Economic Commission for Europe's Task Force on Environmental Rights and Obligations.

In addition, the Department successfully defended a district court challenge to the Uruguay Round of GATT brought by several environmental organizations under the National Environmental Policy Act.

Environmental Justice

On February 11, 1994, President Clinton signed Executive Order 12898 on Environmental Justice. The Executive Order creates a Federal work group on environmental justice to coordinate Federal policies and projects; requires Federal agencies to develop an environmental justice strategy, including specific short-term projects with deadlines; prohibits Federal agencies from conducting Federal activities that affect human health or the environment in a manner that has the effect of discriminating on the basis of race, color, or national origin; and requires better data collection by Federal agencies on the effects of environmental burdens on minority and low-income communities.

The Environment and Natural Resources Division has been working with the Attorney General's Office to ensure the implementation of Executive Order 12898 at the Department and governmentwide, including drafting guidelines, identifying cases, and developing training. In the past year, the Department brought cases resulting in redress of Safe Drinking Water Act violations at a low-income trailer park, and in a multi-million dollar judgment against two large Southern California water districts for wrongfully dumping their agricultural drainage waters over half of the Torres Martinez Indian Reservation.

Using Alternative Dispute Resolution

Because environmental cases are often complex and involve many parties, and because the sooner a resolution is reached, the sooner the environmental contamination may be remedied, the Department began to explore seriously the use of Alternative Dispute Resolution (ADR) for more efficient settlement of environmental litigation. Over the past year, seventy-four cases in the Environment and Natural Resources Division have gone into ADR, and as a part of a pilot program to study the suitability of using ADR in environmental cases, the Department has identified twenty-three cases that may be good candidates for ADR.

Enforcing Antitrust Laws

The Department continued vigorous enforcement of the antitrust laws last year. It particularly focused on the international aspects of enforcement, by identifying international cartels that were raising prices for American consumers and restraints of trade that were impeding the access of American companies to foreign markets.

The Antitrust Division maintained energetic prosecution against illegal and anti-competitive business practices in 1994, filing 57 criminal cases against 105 defendants. These prosecutions resulted in fines of over \$40 million. In addition, 11 individuals were sentenced to substantial prison terms — a powerful deterrent to business executives who may be considering illegal conduct.

These prosecutions included cases against international cartels that were hurting American consumers through price-fixing. In coordination with Canadian antitrust officials, the Department in July 1994 brought criminal charges against a Japanese corporation, two U.S. subsidiaries of Japanese firms and an executive of one of the firms for conspiring to charge higher prices to thermal fax paper customers. The defendants pleaded guilty and agreed to pay almost \$8 million dollars in fines. The Department also received assistance from Canadian authorities in breaking up a conspiracy by three companies and seven executives to drive up the price of plastic dinnerware, a \$100 million consumer market. To date, two of the corporations have agreed to pay over \$8 million in fines.

The Department also enforces the antitrust laws through civil litigation against unreasonable restraints of trade and monopolistic conduct. As part of its effort to remove anti-competitive restraints imposed on American exports, a suit was brought against a British company with a monopoly over the technology used to make flat glass. The settlement of the suit will result in an estimated increase in U.S. export revenues of between \$150 million and \$1.25 billion during the next six years.

The Department complemented these international enforcement efforts by participating in the Deregulation and Competition Policy portion of the U.S.-Japanese Framework talks, in which the United States has urged the Japanese government to strengthen enforcement of its anti-monopoly law, to make its administrative procedures fair and open and to accelerate an effective program of deregulation to open markets to competition.

A second major feature of the Department's antitrust program was a stepped-up effort to provide guidance regarding the Department's enforcement intentions. The predictability and certainty resulting from increased guidance make it easier for companies to conduct their businesses consistent with the antitrust laws. Many enforcement actions therefore are avoided altogether. Much of this guidance was provided through three major products: Intellectual Property Guidelines; International Guidelines; and Statements of Policy in the Health Care Area.

In addition to the release of the guidelines and policy statements, the Department continued to provide statements of its enforcement intentions regarding specific proposed business conduct under the Antitrust Division's Business Review Procedure. This procedure was centralized and streamlined in 1993 to provide a swifter response to inquiries. As a consequence, the Department responded to more requests for business review letters in 1994 than in the preceding four combined. Twelve of the 27 reviews related to the health care industry.

Civil Justice Reform

The Department continued its efforts to improve the administration of civil justice in both Federal and State courts and to increase access to our justice system for all Americans. Together with representatives from diverse perspectives of the Nation's civil justice system, Department officials drafted measures, including proposed legislation, model procedures for State civil justice systems, and instituted new alternative dispute resolution policies, that will decrease the cost of litigation and open courts to millions of low- and middle-income families.

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Chapter V

Making the Department Work Better

Goal: To provide law enforcement and related services and programs in which the American people have full faith and confidence — and to use the taxpayers' money wisely and efficiently.

The Administration, through its National Performance Review (NPR), has established ambitious goals for transforming the way government operates.

Examining the way we do business, fostering creativity and innovation among employees, and streamlining our programs and operations in order to improve service to our customers and clients constitute the core elements of the NPR strategy for change.

In 1994 the Department made considerable progress in carrying out this strategy by finding ways to make our programs and operations work better and cost less. We took important steps toward overcoming organizational impediments that, in the past, hindered law enforcement efforts. We integrated overlapping functions and fostered cooperation among our component organizations. And we also improved integration of our enforcement activities by making significant structural and other changes across the Department. These efforts have produced dramatic evidence that the Department is well on its way toward reaching its goal of using the taxpayer's money wisely and efficiently.

Integrating DOJ Law Enforcement Activities

Of particular significance was the creation of the Office of Investigative Agency Policies (OIAP), which was established by the Attorney General in November 1993 to begin a new era of cooperation among DOJ's law enforcement components. The mission of OIAP is to "coordinate . . . activities of DOJ's criminal investigative agencies," including the FBI, DEA, USMS, and INS, to focus on criminal investigative policies, procedures, and activities that warrant uniform treatment or

interagency coordination. The Director of the FBI serves as the current Director of OIAP.

OIAP has implemented a number of dramatic improvements in the way the Department does business. It has addressed practical problems of everyday coordination among law enforcement personnel — problems that, for decades, have hindered aggressive and complete investigative work. OIAP actions are providing both short-term benefits for each agent's everyday work and longer-term guarantees of improved Federal enforcement efforts.

Returning Resources to the Frontline

Getting our Federal house in order is but one side of the equation in effective law enforcement. Given that most law enforcement is performed by State and local governments, rational policy making requires that available resources be targeted at that level. The Department has moved steadfastly to redeploy agent personnel where they are most needed — away from headquarters and back on the street. With this in mind,

- The FBI reassigned 600 special agents from supervisory and administrative jobs to field investigations. Half of these reassignments came from headquarters.
- INS redeployed more than 500 Border Patrol Agents to help strengthen critical border points in San Diego and El Paso.
- The USMS and DEA also eliminated headquarters layering and empowered field managers with the authorities they need to do the job. Sixty agents from DEA were reassigned to field offices and the USMS will transfer out a number of its headquarters personnel upon completion of a pending reorganization initiative.

Collecting Debts Due the United States

The Administration and the Attorney General have placed a high priority on the collection of debts due the Federal Government. The Department is proud to report that \$3.11 billion was collected from criminal and civil defendants dur-

ing 1994. This amount, nearly double the previous high, included \$1.83 billion, in cash, for the Federal Treasury. This represents an 86.6-percent increase over total cash collections received in the prior fiscal year, and it is the first time that the Department has ever recovered over a billion dollars, in cash, in a single fiscal year. The balance consisted of \$1.283 billion in non-cash collections such as property transfers, payments made directly to agencies other than the Department of Justice, and offsets in which the government withheld money it would otherwise have paid.

These record-breaking collections are a result of the Department's vigorous efforts to collect civil debts, civil penalties, criminal fines and special assessments, restitution orders, and affirmative civil enforcement. In addition to returning substantial sums of money to the Federal Treasury, the Department's efforts help protect the integrity of Federal programs that offer assistance to our citizens, enforce the laws that protect our citizens and the environment, and provide assistance to victims of crime. As a result of criminal fine collections, over \$178 million, the largest amount ever, was deposited into the Crime Victims's Fund. This money is returned to the States to be paid for compensation and assistance to victims of crime and to be used to fund programs to benefit crime victims.

These achievements are due to vigilant efforts by U.S. Attorneys' offices and Department of Justice litigating components. The 1994 Appropriations Act, which authorized the Attorney General to retain up to three percent of civil debt collections to be placed in the Department's Working Capital Fund, provided additional resources to enhance the Department's civil debt collection efforts. The availability of resources from the Fund should enable the Department to collect even higher amounts in fiscal years to come.

Ensuring Integrity

Department employees are expected to meet the highest standard of ethical behavior. Insuring the integrity and honesty of Department personnel is the task of the Department's Inspector General.

During 1994, a joint Office of Inspector General (OIG) and DEA investigation led to the indictment and arrest of an INS Border Patrol agent, an INS detention enforcement officer and six co-conspirators on charges of bribery, conspiracy, possession with intent to distribute a controlled substance and engaging in a continuing criminal enterprise. Another OIG investigation resulted in the arrest and conviction of an INS immigration inspector and his wife for bribery and for possession and facilitating the importation of marijuana from Canada into the United States.

Enforcement efforts also focused on individuals who attempt to corrupt Department officials. A drug smuggling investigation conducted by the OIG and "Operation Alliance," a Federal multi-agency interdiction effort along the U.S.-Mexico border, led to three arrests and convictions for bribery and the importation and possession of cocaine and the seizure of 309.5 kilograms of cocaine valued at more than \$5 million. The defendants had attempted to bribe an INS automation clerk in exchange for helping to smuggle drugs across the U.S. and Mexican border. The clerk reported the bribe offer to the OIG.

Through the OIG, Department enforcement efforts also targeted corruption in the Federal prisons. Examples include the conviction of a BOP correctional officer for smuggling drugs into the U.S. Penitentiary in Atlanta, Georgia, and a joint investigation between the OIG and the Westchester County, New York, Department of Corrections, which led to the arrest of ten correctional officers at the Westchester County Jail. Five officers pleaded guilty to smuggling contraband, including drugs, into the jail.

Investigations of INS document fraud by the Department's OIG resulted in the arrest of 17 civilians, including five Department employees in 1994. One investigation culminated in the arrest of an INS deputy assistant district director with 22 years of government service. Since the early 1980s, the official had accepted thousands of dollars from a middleman in return for illegally obtained "green cards" and for entering fraudulent data into INS' alien data base. The official pleaded guilty to conspiracy to commit bribery and obstruction of justice, resigned from INS, was sentenced to 30 months in prison and ordered to pay a \$10,000 fine.

Reaching Out to Our Customers

The Attorney General has renewed the Department's focus on those we serve, insisting that we give people what they want, when they need it. From the delivery of law enforcement services to responding to information inquiries, the Department is determined to render its services in accordance with the highest possible standards of performance as determined by our customers and clients. To accomplish this, the Department has concentrated on those programs and services whose activities encompass the overwhelming majority of the Department's direct contact with the public. In 1994, the Department developed seven separate sets of customer service standards. For these services, the Department polled its customers and developed specific standards of performance to satisfy their needs. For example:

- At most land border ports of entry, travelers can expect the INS to complete its entry inspection within 20 minutes.
- When its new automated fingerprint system is operational, the FBI will reduce the time it takes for processing fingerprint identification of arrestees from the 21 days it currently takes to an average of two hours.
- Victims and witnesses of Federal crimes will receive timely notification from U.S. Attorneys' offices on matters such as changes in detention status, charges filed or dismissed, and offender sentencing dates.

These efforts represent the first major step in the Department's commitment to a long-term strategy of surveying its customers — including its litigation clients — and developing service standards against which the Department can measure its success in providing exemplary service at the least possible cost to the taxpayers.

To bring the Department's resources closer to the public, the Department has also taken advantage of emerging technologies. Some example of this customer outreach are illustrated below:

- The Department established an Internet computer site to make a variety of legal and law enforcement information

available to anyone with access to Internet. In addition to general information about the Department's organizational structure, responsibilities, and accomplishments, the Internet system includes press releases, newsletters, crime statistics and monographs, technical assistance guidelines on the Americans with Disabilities Act, antitrust material, and court decisions.

- The Office of Justice Programs supported Partners Against Violence Network (PAVNET), which is an online resource designed to meet the need for rapid, easy access to information about programs established to prevent and curb youth violence. PAVNET Online combines the information resources of six cabinet agencies (Agriculture, Education, Health and Human Services, Housing and Urban Development, Labor, and Justice) in a centralized data base of literally hundreds of programs and services operating at the local, County, State, and Federal level. Universally accessible via Internet, the data base also includes up-to-date information about technical assistance, funding, and information resources (clearing-houses) in the area of youth violence.
- The INS's Information Services Program improved its procedures for disseminating information to the public, starting with a complete overhaul of automated telephone answering systems which handle some 10 million telephone inquiries annually. Information Services also became a participant in three NPR customer service initiatives, including the Federal Information Kiosk pilot project.
- INS streamlined the naturalization application process and actively solicited help from community groups to educate and encourage eligible permanent residents to become citizens. INS also worked with community groups and district courts to hold special swearing-in ceremonies. These efforts helped to boost the number of applications for naturalization in many offices.

Promoting Organizational Effectiveness

The Justice Performance Review

In 1994, the Justice Performance Review (JPR) team continued to be instrumental in assisting the Department's reinvention efforts. The major emphasis of the JPR team was on the review and analysis of more than 3,000 letters and calls submitted in response to the Attorney General's employee suggestion initiative — "AG ONLINE" — to improve programs and services. Because some submissions contained several ideas, more than 4,000 suggestions, comments and recommendations actually were reviewed and evaluated.

The most frequently received suggestions related to human resources, with employees submitting ideas on varied personnel and worklife/work environment issues. Administrative issues were second in terms of volume. Suggestions addressed a wide range of topics including financial management, procurement, travel, and the structure of the Department. Other suggestions concerned cost savings in administrative areas, reducing paperwork, changing programs to define and clarify responsibilities, improving customer service, streamlining departmental regulations and procedures, and empowering employees to make decisions.

The JPR team identified approximately one-fifth of the suggestions for possible implementation across the Department. Because of duplication and fragmentation, these ideas were consolidated into 33 broad issues that are being considered as targets of opportunity for possible reinvention efforts. A number of these initiatives have been proposed as topics for employee innovation teams in 1995.

Progress on Department of Justice Laboratories

Three reinvention laboratories initiated in 1993 continued in operation in 1994. These labs, described below, are efforts to develop new and innovative solutions to specific problems and to test and evaluate how well these solutions work.

Freedom of Information and Privacy Acts (FOIPA):

In 1994, the FBI received or reopened 18,018 FOIPA requests

and responded to 16,883. Over 586,633 pages of documents were reviewed, and a total of 780 administrative appeals and 65 FOIPA lawsuits were resolved.

The Department established a reinvention laboratory to enhance its ability to provide quicker responses to FOIPA requesters. Four working subgroups were formed as part of this reinvention lab. One initiative currently underway in connection with this project is an FBI interagency agreement with the Department of Energy's Pacific Northwest Laboratory to develop functional requirements for a proposal to build a FOIPA Document Processing System which will provide citizens a faster response to FOIPA inquiries.

Joint Automated Booking Stations (JABS): Prisoner processing procedures in our Nation's law enforcement agencies have not changed significantly in over half a century. Each arrestee is "booked" by most agencies he or she encounters, resulting in numerous bookings per arrest. New computer technologies enable automation of the booking process by electronic collection, storage, and transmittal of photographic, fingerprint, and biographical information.

The JABS project is a Department-wide initiative to automate and redesign the booking process for the law enforcement community. The lab, established in Miami, Florida, is decreasing processing time for booking a criminal, eliminating redundant data collection efforts, and enhancing cooperation and sharing of information between law enforcement entities. JABS provides a forum for all law enforcement components and other interested parties jointly to explore potential cost-effective technology transfer techniques, information sharing, and standards development. The lab has performed a technical review of commercial, off-the-shelf booking alternatives; developed an operational concept; performed a requirements analysis; created common JABS data elements; approved the JABS system architecture; determined the integration approach; secured funding; and completed an FY 1996 Crime Bill Funding Request to support the laboratory. By combining and sharing capabilities with identification technologies, the public can expect a quantum leap in law enforcement's ability to deal with crime.

NPR Weed and Seed Laboratory: Operation Weed and Seed is a multi-agency strategy that "weeds" out violent crime, gang activity, illicit drug use and trafficking in targeted high-crime neighborhoods, and then "seeds" the deteriorating areas by restoring the neighborhoods through social and economic revitalization. This NPR Lab demonstrates how multiple agencies can jointly deploy resources to a limited area, for a specific purpose within a limited timeframe. Dubbed the "NPR Lab Related to Comprehensive Anti-Crime and Social Delivery Systems," this effort is helping neighborhoods to design, fund, and evaluate the programs they select to implement. A Federal Resource Assistance Center, composed of experts from the participating Federal agencies, is being established to provide continuing guidance on the use of Federal funds to assist communities in developing integrated strategies and support component programs. Flexible funding approaches are being designed and implemented.

Worklife

A top priority of the Department's Worklife Program during the past year was the promotion of workplace flexibility. In recognition of the Department's commitment to creating a family friendly workplace, the Office of Personnel Management selected the Department as one of three recipients of the 1994 Director's Award for Outstanding Work and Family Programs. The Worklife Program continued to expand during 1994, with plans for participation in the Telecommuting Centers established by the General Services Administration. The Department has had an active work-at-home program since January 1991.

The USMS implemented a number of worklife initiatives, including establishing a Worklife Committee at Headquarters with coordinators appointed in the districts, headquarters divisions, and staff offices. The Service co-sponsored the following activities with the DEA: Bring Your Kids to Work Day, Open Season Health Fair, and a Red Cross Blood Drive. A career planning program was developed for law enforcement employees, which included distribution of the Law Enforcement Career Planning Handbook.

The FBI conducted four training seminars on worklife issues for new supervisors. In addition, the FBI sponsored

two educational fairs, providing information concerning dependent care resources and legal issues involving power-of-attorney, wills, trusts, and guardianship; and parenting concerns, ranging from child care resources to available scholarships. The FBI continued to emphasize the contributions of its bilingual staff by honoring 345 employees with Foreign Language Awards.

The BOP created a mentoring program to promote the development of employee skills and abilities. Training sessions were conducted for key program staff, and a training manual was distributed for use in conducting local training for mentors. Strategies were developed to evaluate the program's effectiveness.

The Criminal Division implemented a formal worklife program policy to assist its employees in balancing the demands of their careers with the demands of raising and caring for their families. Under the new policy, the Division conducted a pilot program of two worklife options: Compressed Work Schedules and Flexitours. Based upon the positive results of the pilot program in 1994, the Division is considering expanding the program to all components.

Recruiting the Best

As part of its commitment to ensure that the Department has a legal work force among the best and brightest in the Nation, the Office of Attorney Personnel Management continued its outreach efforts to recruit highly qualified and diverse legal specialists. The results of these efforts was a record-breaking number of applicants for the Department's legal recruiting programs, and the hiring of an extremely high-caliber and diverse group of attorneys.

Streamlining Processes

Procurement Reform. The Justice Management Division (JMD) procurement staff streamlined and expanded its nationwide program for purchasing small dollar items, using VISA type purchase cards, a procurement reform recommended by the NPR. Authorized card holders increased from 133 to 237, and over 118 employees were trained on card use. The Office of Federal Procurement Policy estimates

that Federal agencies can save about \$50.00 per transaction by using purchase cards, in lieu of a purchase orders. In 1994, JMD made more than 5,000 purchase-card transactions, which equates to an administrative savings of about \$257,000. Also, JMD increased significantly the dollar limit on procurement authority delegations to U.S. Attorneys' offices and several Department components. This decentralization of authority allows more acquisition decisions to be made at local levels, which helps ensure timely receipt of high quality goods and services at reasonable prices — a key NPR objective.

Performance Appraisals. The FBI created a 30-member task force to review the FBI performance appraisal system and recommend enhancements. Some of the perceived problems with the FBI's system include: delays in resolving appeals; inflation of employee ratings; and the use of appraisals for other purposes, such as career development decisions and awards. The task force gathered information on a number of appraisal systems in both the public and private sectors, developed criteria for a new system and made several other recommendations.

Glossary of Organizational Acronyms

ATF	Bureau of Alcohol, Tobacco and Firearms
BJA	Bureau of Justice Assistance
BJS	Bureau of Justice Statistics
BOP	Bureau of Prisons
CRS	Community Relations Service
DEA	Drug Enforcement Administration
DOJ	Department of Justice
EOIR	Executive Office for Immigration Review
EOUSA	Executive Office for United States Attorneys
EPA	Environmental Protection Agency
FBI	Federal Bureau of Investigation
INS	Immigration and Naturalization Service
INTERPOL	International Criminal Police Organization
IRS	Internal Revenue Service
JMD	Justice Management Division
JPR	Justice Performance Review
LECC	Law Enforcement Coordinating Committee
NIJ	National Institute of Justice
OAPM	Office of Attorney Personnel Management
OCDETF	Organized Crime Drug Enforcement Task Force
OIAP	Office of Investigative Agency Policies
OIG	Office of the Inspector General
OJJDP	Office of Juvenile Justice and Delinquency Prevention
OJP	Office of Justice Programs
OVC	Office of Victims of Crime
USMS	United States Marshals Service
USNCB	United States National Central Bureau



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